



California  
Department  
of Education

# Report on the Budget Act of 1998



Education  
Finance  
DIVISION

*Funding the Future for California's Children*

November 1998

# Report on the Budget Act of 1998

*prepared by the*



California Department of Education

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## *Foreword*

On August 21, 1998, the governor signed Assembly Bill 1656 (Chapter 324, Statutes of 1998), ending a 51-day delay in the enactment of a state budget. The Budget Act (Chapter 324) and the accompanying trailer bills provide \$31 billion in state and local funds for K–12 public education, an increase of \$2 billion over revised 1997-98 levels. This figure, however, greatly understates the actual increase in funds that will be available to local education agencies for ongoing programs. When the allocation is adjusted for the timing of actual cash receipts and for savings resulting from reduced retirement system contributions, school districts and county offices of education will have nearly \$2.8 billion in resources available for new ongoing programs. In addition, local education agencies will receive \$500 million in funding for various one-time purposes. In total, therefore, public schools will have nearly \$3.3 billion for new ongoing and one-time programs during 1998-99.

This revenue increase funds statutory enrollment growth for revenue limits and for categorical programs, as well as cost-of-living adjustments (3.95 percent for revenue limits and 2.18 percent for categorical programs). It also provides significant new funding for instructional materials, library materials, and science lab equipment; a revised and expanded Staff Development Buy-Out program; and a new Ninth Grade Class-Size Reduction program.

In a reprise of last year's "hostage-veto" strategy, the governor blue-penciled \$249 million in education appropriations (including \$94.1 million for categorical mega-item programs, cost-of-living adjustment [COLA], and program growth) as a means of prompting legislators to adopt a "comprehensive school accountability program addressing low-performing schools, social promotion, and remedial instruction." He promised to restore funding if the Legislature adopted an accountability program consistent with his priorities.

With just ten days to act before the adjournment of the legislative session, the Legislature passed a three-bill package (SB 1370, AB 1626, and AB 1639) addressing social promotion and remedial instruction and restoring \$199.1 million of the vetoed funds. The Legislature also passed a separate school accountability measure—SB 1561—which would have restored the remaining \$50 million.

The governor signed the legislation addressing social promotion and remedial instruction and, on September 29, approved the restoration of \$199.1 million in vetoed funds. As a result, virtually all categorical programs will receive funding for growth and a 2.18 percent COLA in 1998-99. The governor, however, vetoed SB 1561 (the school accountability measure), refusing to restore the remaining \$50 million that he had previously vetoed and set aside.

This report includes a detailed summary of the major features of the 1998 Budget Act and the major budget trailer bills and end-of-session legislation affecting K–12 education. The report is organized as follows: For each major program, the report identifies the 1998 Budget Act Item, the authorizing *Education Code* section, and the key features of the 1998-99 appropriation, as detailed in the budget, trailer legislation, or end-of-session legislation. The report also presents comments by department staff to help local education agencies in implementing these programs. The staff have highlighted key dates, reporting forms, data requirements, and other relevant information that can help local officials secure state funding for these programs.

I would also like to direct your attention to the version of this report on the Internet. Department staff members have taken advantage of this technology by incorporating hypertext links from the report to other useful sites. The online report allows users to move immediately from our reviews of each program to the actual Budget Act Item containing the appropriation and then to the specific *Education Code* section authorizing the

program. In addition, the report contains hypertext links allowing the reader to send an e-mail comment or a question to the staff person responsible for each program. The report can be found at [<http://www.cde.ca.gov/ftpbranch/efdiv/>](http://www.cde.ca.gov/ftpbranch/efdiv/) on the World Wide Web.

I hope you find this report useful, and I look forward to working with you to secure an even better budget for our schools next year.



DELAINE EASTIN

*State Superintendent of Public Instruction*



# Overview

After a stalemate lasting 51 days into the new fiscal year, the governor signed Assembly Bill 1656 (Chapter 324/98), enacting the annual state budget. Senate Bill 1564 (Chapter 330/98) and ten other education trailer bills provide the details of the new spending plan and set the conditions for the allocation of state funds for the public schools through June 30, 1999.

This section presents a brief overview of the 1998 Budget Act, including both the major K–12 provisions and the main features of other major state programs. The sections that follow present in more detail the specific provisions of the 1998–99 state spending plan for the public schools. Each of these sections contains the pertinent facts of the budget and associated trailer bills, including the Budget Act Item and Education Code sections authorizing the expenditures. In addition, comments concerning implementation schedules and reporting deadlines to help local education agencies in planning their 1998–99 budgets appear separately. Finally, the names of persons to contact and their telephone numbers are included to help staff from local education agencies who may have questions not addressed in this report.

*The budget assumes that the state will receive \$4.2 billion more in tax revenues over the two-year period from 1997–98 to 1998–99 than was estimated in January.*

## State General Fund Budget

The 1998 Budget Act reflects a dramatic improvement in state tax revenues relative to the governor's January budget proposal. Specifically, the budget assumes that the state will receive \$4.2 billion more in tax revenues (\$2.5 billion ongoing and \$1.7 billion in one-time funds) over the two-year period from 1997–98 to 1998–99 than was estimated in January. The issue of how to spend these additional funds was the focus of a protracted debate within the Legislature, pitting advocates of tax cuts against supporters of additional funding for education.

*The budget year is expected to end with a reserve of \$1,255 million (about 2 percent of General Fund revenues).*

Ultimately, the Legislature agreed to the governor's proposal to dedicate \$1.4 billion of the ongoing revenues to various tax cuts, including a 25 percent reduction in the Vehicle License Fee (VLF). The Legislature, however, rejected the governor's proposal for further automatic reductions in the VLF in 1999-2000 and 2000-01. Instead, it provided that additional reductions in the VLF will occur only if state tax collections significantly outpace revenue projections from the Department of Finance—an event that, at this time, appears unlikely.

Table 1 shows total state General Fund revenues, expenditures, and year-end reserves for both 1997-98 and 1998-99. The table shows that, under the 1998 Budget Act, the budget year is expected to end with a reserve of \$1,255 million (about 2 percent of General Fund revenues).

**Table 1 • General Fund Summary**  
(Dollars in Millions)

|                           | 1997-98        | 1998-99        |
|---------------------------|----------------|----------------|
| Prior-Year Balance        | \$907          | \$2,227        |
| Revenues                  | 54,664         | 56,985         |
| <b>Total Resources</b>    | <b>55,571</b>  | <b>59,212</b>  |
| <b>Total Expenditures</b> | <b>53,344</b>  | <b>57,262</b>  |
| Fund Balance              | 2,227          | 1,950          |
| Other Obligations         | 445            | 445            |
| Set-Aside for Education   |                | 250            |
| <b>Reserve</b>            | <b>\$1,782</b> | <b>\$1,255</b> |

## K–12 Education Highlights

Table 2 summarizes total funding for K–12 education from all sources in 1998-99. The table shows that the budget proposes total funding of nearly \$40.4 billion. The table also shows that, of this total, \$31.2 billion (about 77 percent) counts toward meeting the state’s constitutional funding obligation under Proposition 98.

**Table 2 • Funding for K–12 Education,  
All Sources and Proposition 98**  
(Dollars In Millions)

| Sources of Funding     | Funding from All Sources | Funding Guaranteed by Proposition 98 |
|------------------------|--------------------------|--------------------------------------|
| State General Fund     | \$23,796                 | \$22,058                             |
| State Lottery          | 755                      | —                                    |
| Other State Funds      | 77                       | —                                    |
| Federal Funds          | 3,796                    | —                                    |
| Local Property Tax     | 9,253                    | 9,194                                |
| Local Debt Service Tax | 498                      | —                                    |
| Other Local Funds      | 2,195                    | —                                    |
| <b>Total</b>           | <b>\$40,370</b>          | <b>\$31,252</b>                      |

**Proposition 98.** Proposition 98, approved by the voters in 1988, provides K–12 schools and community colleges with a constitutionally guaranteed minimum level of funding. Although the actual calculation of the guarantee is quite complex, the basic principles of Proposition 98 are relatively simple:

- In years of “normal” state revenue growth, K–14 education is guaranteed a level of state and local funding at least equal to that which schools and community colleges received in the prior year. This level of funding is adjusted for changes in

enrollment and “inflation” as measured by the change in per capita personal income.

- In years of extraordinarily “good” or “bad” revenue growth, K–14 education participates in the state’s gains or losses according to specified “fair share” formulas.
- Following a “fair share” reduction in the level of the Proposition 98 funding guarantee, the state is obligated to eventually restore K–14 education funding to the level that schools and community colleges would have received if no reduction had occurred. The pace of this restoration is tied to the pace of the state’s economic recovery.

**Test 1, Test 2, and Test 3.** In practice, the minimum funding guaranteed by Proposition 98 is determined by one of three so-called tests. Specifically, K–14 education is guaranteed a minimum funding level based on the greater of:

**Test 1—Percent of General Fund Revenues.** The percentage of state General Fund tax revenues received by schools and community colleges in 1986-87 (This percentage is adjusted for the impact of shifts in property taxes from local governments to schools [currently about 34.6 percent].)

OR

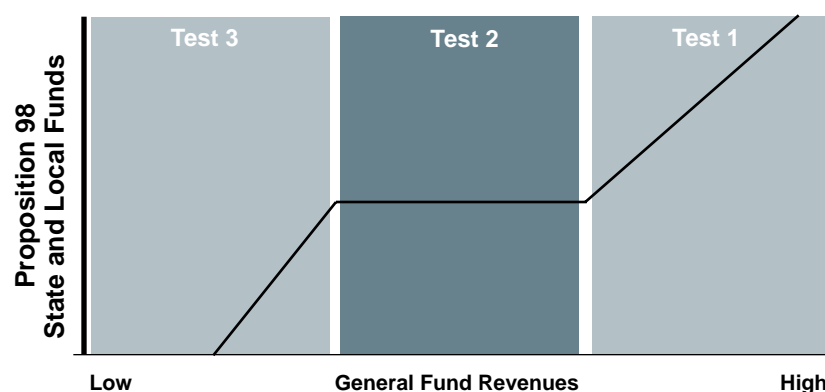
**Test 2—Maintenance of Prior-Year Service Levels.** The prior-year level of funding from state aid and local property taxes (This level of funding is increased for enrollment growth and “inflation” as measured by the change in per capita personal income.)

However, in years when the inflation rate exceeds the growth rate of per capita General Fund revenue by more than 0.5 percent, the following alternative “test” is substituted for Test 2:

**Test 3—Adjustment Based on Available Revenues.** The prior-year level of funding from state aid and local property taxes (This level of funding is increased for enrollment growth and “inflation” as measured by the growth in per capita General Fund revenues plus 0.5 percent.)

Test 3 is intended to ensure that K–14 education bears a “fair share” of the state’s total budgetary pain in years when General Fund revenue growth is insufficient to fully fund enrollment growth plus the full Test 2 “inflation” adjustment. (Note that Test 2 and Test 3 differ only in the “inflation” factors used.)

**Chart 1 • Proposition 98 Guarantee**



The Proposition 98 funding guarantee is generally computed based on Test 2, which is unaffected by changes in General Fund revenues (see Chart 1). In years of very strong revenue growth, the guarantee is based on Test 1; and K–14 education gains or loses about 35 cents of every additional dollar of General Fund tax revenues gained or lost. In weak revenue growth years (such as during the recession of the early 1990s), when Test 3 applies, the guarantee is even more sensitive to changes in General Fund revenues—gaining or losing about 63 cents of every marginal tax dollar.

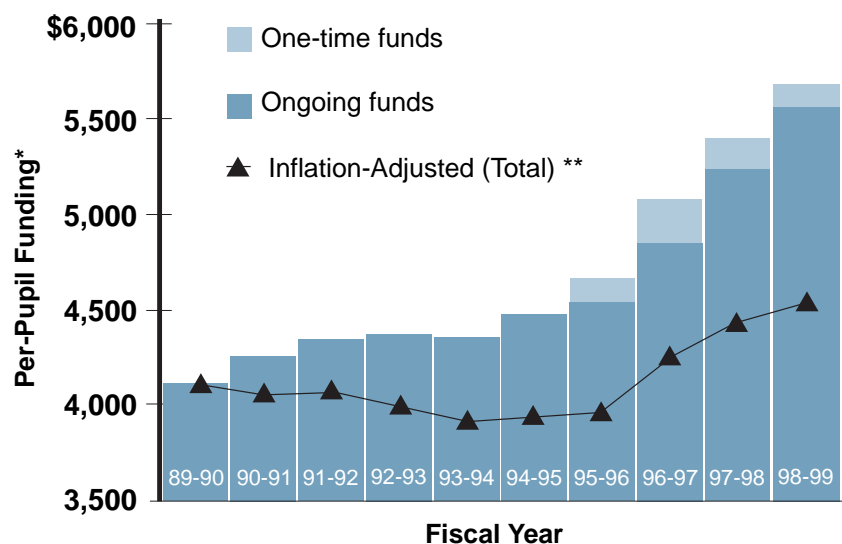
Under the revenue assumptions underlying the 1998 Budget Act, the Proposition 98 minimum guarantee for both 1997-98 and 1998-99 is determined by Test 2. In a significant departure from past practice, however, the budget provides schools and community colleges with about \$700 million more than would have been required had they been funded at just the bare minimum requirement during those two years.

*During the recession of the early 1990s, the outstanding maintenance factor grew to \$2.2 billion at the end of 1993-94.*

**Restoration.** If the Proposition 98 guarantee is reduced due to factors cited in Test 3 (or a suspension of the guarantee), the amount lost is never repaid. It must eventually be restored in the future, however, according to a formula that is tied to the pace of the state's economic recovery. The restoration target level for any year equals the sum of that year's Test 2 guarantee plus a "maintenance factor" that represents the cumulative amount by which the Proposition 98 guarantee has been underfunded (as adjusted for enrollment growth and inflation).

During the recession of the early 1990s, the outstanding maintenance factor grew to \$2.2 billion at the end of 1993-94. During the past several years, however, Proposition 98 funding has more than covered enrollment growth and inflation. As a result, at the end of 1997-98, the \$2.2 billion was fully restored. This process of restoration was primarily responsible for the major funding increases received by K-12 education in the past few years. In the 1998-99 budget, however, another factor is at play: the \$4.2 billion increase in General Fund revenues that was identified in the May revision to the governor's budget. The availability of these new revenues enabled the governor and the Legislature to provide funding in excess of the Proposition 98 minimum funding guarantee in 1997-98 and 1998-99.

Chart 2 shows the trend in Proposition 98 funding per pupil in kindergarten through grade twelve (actual cash received) from 1989-90 through 1998-99. The chart shows that, under the 1998 Budget Act, schools will have received an average of \$5,538 per average daily attendance (ADA) (\$5,376 in ongoing funds and \$162 in one-time funds in 1997-98); in 1998-99 schools will receive an average of \$5,823 per ADA (\$5,731 in ongoing funds and \$92 in one-time funds). These amounts are 6.7 percent and 12.2 percent higher, respectively, than the \$5,192 per ADA received in 1996-97. The chart also shows, however, that after adjustment for inflation, the average per-pupil funding level in the 1998-99 budget year will be only 9.8 percent higher than it was in 1989-90, prior to the recession.

**Chart 2 • Proposition 98 Funding Per Pupil**

\* Pupils measured as average daily attendance (ADA), excluding excused absences.

\*\* Inflation measured using the Implicit Price Deflator for State and Local Government Purchases.

### *K–12 Education Spending Plan*

As noted, the budget estimates that state and local funding for K–12 schools that counts toward Proposition 98 will total \$31.2 billion—an increase of \$2 billion over estimated current-year expenditures. This figure, however, greatly understates the amount of new Proposition 98 funds that are proposed for expenditure in the budget.

As shown in Chart 3, the budget provides for nearly \$3.3 billion in new Proposition 98 spending. This is accomplished by spending \$417 million in additional funding owed to satisfy the 1997-98 Proposition 98 guarantee for one-time purposes in 1998-99. This funding “frees up” an equivalent amount of spending capacity in the budget year, bringing to \$2.4 billion the total increase available for ongoing programs.

This \$2.4 billion figure, however, still understates the amount of new resources that will actually be available for ongoing expenditures by local education agencies in 1998-99. This situation occurs because a \$327 million reduction in funding for revenue limits

(included in the net \$2.4 billion increase figure) is exactly offset by an equivalent reduction in school district and county office costs for contributions to the Public Employees Retirement System (PERS), resulting in no net loss to schools. Taking this factor into account, local education agencies will actually have nearly \$2.8 billion (\$509 per ADA) in resources available for new ongoing expenditures.

Finally, local education agencies will receive \$500 million (\$92 per ADA) in funding for one-time purposes. (In addition to the \$417 million noted previously, this figure includes \$83 million in unspent Proposition 98 funds from prior years.) In total, therefore, public schools will have nearly \$3.3 billion in new ongoing and one-time funds to spend in 1998-99.

**Chart 3 • \$3.3 Billion in New Proposition 98 Spending**

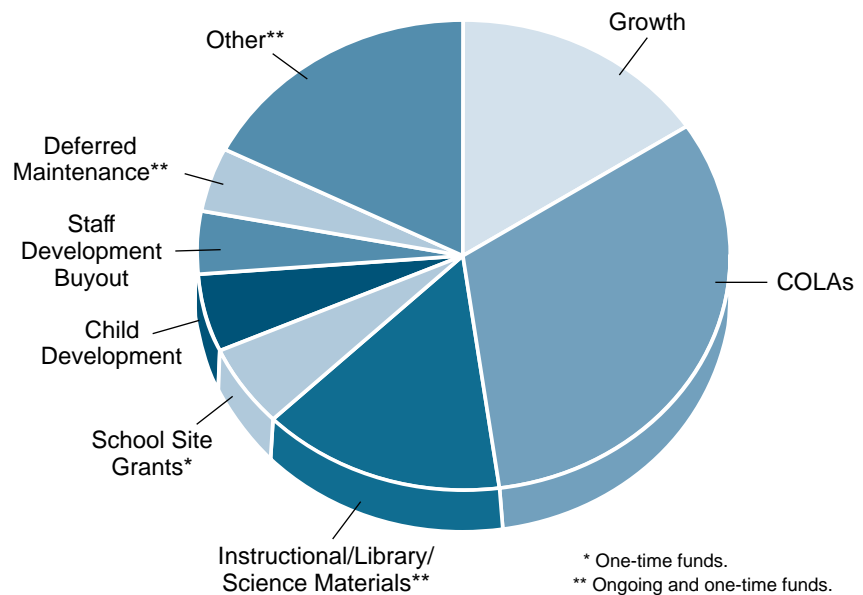


Table 3 shows how the budget allocates the \$2.8 billion in new funds that are available for ongoing programs in 1998-99. As the table shows, \$508.2 million is for costs of enrollment growth, and \$1,010.6 million is for COLAs. The budget spends the remaining \$1.26 billion on a variety of new programs and program expansions, including augmenting funding for instructional and library materials (\$408.5 million); expanding the availability of preschool and



child care services for low-income families (\$163.5 million); buying out additional staff development days for teachers and aides (\$145 million); and providing additional state matching funds for school district deferred maintenance (\$115 million).

**Table 3 • Uses of New Proposition 98 Funds for Ongoing Program Purposes**  
(Dollars in Millions)

|  |                  |
|--|------------------|
| <b>Enrollment growth</b>                   | <b>\$508.2</b>   |
| K–12 apportionments                        | 374.2            |
| Special education                          | 31.6             |
| Class-size reduction                       | 24.0             |
| Other categoricals                         | 78.4             |
| <b>Cost-of-living adjustments</b>          | <b>\$1,010.6</b> |
| K–12 apportionments                        | 832.7            |
| Special education                          | 56.6             |
| Child development                          | 14.4             |
| Class-size reduction                       | 33.0             |
| Other categoricals                         | 73.9             |
| <b>New programs and program expansions</b> | <b>\$1,169.1</b> |
| Instructional materials                    | 250.0            |
| Preschool and child care expansion         | 163.5            |
| School library materials                   | 158.5            |
| Staff development buyout                   | 145.0            |
| Deferred and major maintenance             | 115.0            |
| Summer school (supplemental instruction)   | 105.0            |
| After-school programs                      | 50.0             |
| Proposition 227 grants (English tutoring)  | 50.0             |
| Beginning teacher support and assessment   | 48.3             |
| Ninth grade class-size reduction           | 44.5             |
| High-risk youth                            | 20.0             |
| Desegregation deficiencies                 | 19.3             |
| PERS revenue limit adjustment              | [-326.7]         |
| <b>Other</b>                               | <b>\$89.8</b>    |
| <b>Total</b>                               | <b>\$2,777.8</b> |

Table 4 details the uses of approximately \$500 million in one-time Proposition 98 funds in 1998-99.

**Table 4 • Uses of New Proposition 98 Funds  
for One-Time Purposes**

(Dollars in Millions)

|   |                |
|---|----------------|
| School-site block grant                   | \$180.0        |
| Digital High School                       | 86.0           |
| Science lab equipment                     | 71.5           |
| Proposition 227 grants (English tutoring) | 50.0           |
| Mathematics teacher training              | 28.5           |
| Deferred maintenance (critical needs)     | 20.0           |
| School/community policing                 | 10.0           |
| Other                                     | 53.7           |
| <b>Total</b>                              | <b>\$499.7</b> |

*Restorations and End-of-Session Legislation*

Although the governor signed AB 1656, the state budget, on August 21, 1998, the state’s entire K–12 budget picture for the current fiscal year was not known until September 29. This situation occurred because before signing the budget, the governor vetoed \$249 million in education appropriations as a means of prompting the Legislature to enact a “comprehensive school accountability program addressing low-performing schools, social promotion, and remedial instruction.”

*The governor vetoed \$249 million in education appropriations as a means of prompting the Legislature to enact a “comprehensive school accountability program.”*

The Legislature subsequently passed and sent to the governor SB 1370, which restored \$199.1 million of the vetoed funds, including \$94.1 million for growth and COLAs for categorical mega-item programs. The remaining \$105 million is earmarked for intensive supplemental instructional programs for students who have been retained, or are identified as at risk of being retained, pursuant to the provisions of two other bills: AB 1626 and AB 1639. The Legislature also sent the governor SB 1561, which would have appropriated \$50 million and created a new school accountability system. The governor vetoed this latter measure, however.

## New Programs and Initiatives

Along with the 1998 Budget Act, the Legislature passed and the governor signed a number of trailer bills that enacted several new education programs. These include SB 12 (Chapter 334/98), which expands the Class-Size Reduction program to grade nine; SB 1193 (Chapter 313/98), which funds three days of staff development and requires 180 days of instruction per year; and AB 2041 (Chapter 98/98) and AB 862 (Chapter 332/98), which provide additional support for mathematics-related instructional materials and school library materials.

In addition, the budget contains \$16.8 million to fund 29 school district projects to meet unique local needs. The appropriations for these projects are contained in the 1998 Budget Act (Chapter 324/98) and in the main education trailer bill (SB 1564, Chapter 330/98). These funds will be administered by the California Department of Education through individual notifications to the local agencies specified in the legislation. These grants are not detailed in this report.

*Along with the 1998 Budget Act, the Legislature passed and the governor signed a number of trailer bills that enacted several new education programs.*

### After-School Learning and Safe Neighborhoods Partnerships Program

Budget Act Item 6110-106-0001

*Education Code* sections 8482 through 8484

#### **1998-99 Budget Provisions**

- \$50 million from the General Fund is provided to school and community partnerships to develop local after-school enrichment programs, as prescribed by SB 1756, AB 1428, and AB 2284. These programs will provide educational support and safe, constructive alternatives for students in kindergarten through grade nine.

- Applicants may include (1) local education agencies (LEAs); or (2) cities, counties, or nonprofit organizations in partnership with, and with the approval of, an LEA or LEAs.
- The three-year grants will require annual renewal, which will be contingent on fiscal and program information provided by the grantees. A local match (cash or in-kind) from the school district, governmental agencies, community organizations, or private sector is required in an amount equal to 50 percent of the state grant amount. Grants will be calculated based on an allocation of \$5 per day per pupil, with the maximum grant for one school year totaling \$75,000 for elementary schools and \$100,000 for middle schools or junior high schools. Elementary schools with enrollments over 600 students and middle schools with enrollments over 900 students are eligible for some additional funding.
- Schools will be eligible to receive a supplemental grant to operate the program during any combination of the summer, intersession, or vacation periods.
- Priority for funding programs will be given to elementary, middle, and junior high schools in which a minimum of 50 percent of the pupils are eligible for free- or reduced-cost meals. Applications must be approved by the school district and the principal of each school site to ensure full integration with the academic program of the schools.

#### ***Education Finance Division Comments***

Questions about this new initiative should be directed to the Healthy Start Office in the Learning Support and Partnerships Division. A letter to the field announcing the creation of the After-School Learning and Safe Neighborhoods Partnerships Program was mailed in September 1998, the Request for Applications (RFA) will be issued later that fall, and grants will be awarded in the spring of 1999.

***Staff Contact:*** Bill White, Healthy Start Office; telephone (916) 657-3558

## College Preparation

### *College Preparation Grants*

Assembly Bill 1292, Chapter 803/98

*Education Code* sections 11020 through 11024.5

- Local education agencies (LEAs) are authorized to apply for grant funding (up to four years) to support activities that will increase the percentage of pupils who can meet college entrance requirements. These students attend high schools with below-average numbers of students who graduate or are eligible for admission to the California State University or University of California. Grants shall be used by the school site to inform pupils about the benefits of, and requirements for, higher education and to prepare pupils for college entrance.
- Applicants are required to provide a comprehensive plan developed by a regional partnership (a local education agency, at least one institute of higher education, and at least one regional organization) to accomplish the following goals:
  1. Significantly improve scores on nationally normed, standardized tests used for college admission decisions.
  2. Significantly increase the number and percentage of pupils who enroll in and complete, with at least a “C” grade, the A-F course requirements that are a prerequisite for admission to the California State University and the University of California.
  3. Increase the college participation rate.
  4. Significantly increase the number and percentage of pupils who take nationally normed, standardized tests used for college admission decisions and increase the results of the Standardized Testing and Reporting (STAR) assessment.
  5. Significantly increase the number and percentage of pupils who enroll in and complete advanced placement courses and receive a score of “3” or above.

- The State Superintendent of Public Instruction is required to administer the program according to the rules and regulations adopted by the State Board of Education.
- The State Superintendent of Public Instruction is authorized to award grants of up to \$100 per pupil, with a minimum grant of \$20,000, at a qualifying school in any single fiscal year. The legislation further requires the higher education partners to match, on a dollar-for-dollar basis, the total dollar amount allocated to an LEA.
- \$5 million was appropriated to support the grants.

**Staff Contact:** Bill Vasey, Secondary Education Division; telephone (916) 657-3587

### ***College Admissions Tests***

Senate Bill 1697, Chapter 795/98

*Education Code* sections 60830 to 60830.9

- The College Preparation Partnership Program was established to award competitive, 2:1 matching grants to school districts, or to consortia of school districts, to provide or contract for the provision of courses to prepare eligible high school students for college admissions tests.
- The California Department of Education is required to administer the program and to give priority to school districts with low college attendance rates, high numbers of low-income pupils, and demonstrated school-based efforts to improve school-site college preparatory curriculum and college attendance rates.
- LEAs are authorized to determine the content of test preparation courses, but courses must include practice tests and at least 20 hours of direct pupil instruction outside the normal school curriculum.
- The department is authorized to award the lesser of either \$75 per tenth grade pupil at the school site receiving the grant or \$200 per pupil participating in the test preparation course and taking a college entrance examination.

- \$10 million is appropriated for the grants.

**Staff Contact:** Bill Vasey, Secondary Education Division; telephone (916) 657-3587

### ***Advanced Placement Tests***

Assembly Bill 2216, Chapter 793/98

*Education Code* sections 52240 through 52244

- School districts are authorized to apply to the California Department of Education for funding to provide grants to economically disadvantaged pupils, as defined, to cover the costs of advanced placement examination fees.
- If the total school district applications exceed the total funds available for the program, the department shall prorate the grants on the basis of the ratio of the total amount requested to the total amount budgeted.
- \$1.5 million was appropriated for the program.

**Staff Contact:** Maria Reyes, Academic Support Unit; telephone (916) 653-4308

### ***International Baccalaureate Programs***

Assembly Bill 2363, Chapter 794/98

*Education Code* sections 52920 through 52922

- The State Superintendent of Public Instruction is required to allocate to school districts, on behalf of each public high school within the district that offers an International Baccalaureate (IB) Diploma Program, up to \$25,000 for each participating high school to cover the ongoing costs of professional development required by the program.
- The State Superintendent of Public Instruction is required to award start-up grants, of up to \$15,000, to schools to start an IB Diploma Program.
- School districts that operate an IB Diploma Program are required to submit, by October 1 of each school year, the number of pupils enrolled in courses leading to an IB

Diploma, the number of teachers attending IB training programs, the number of teachers participating in pre-IB support programs, and the amount of money spent to support the participating students and teachers.

- \$1.05 million was appropriated to support the program.

**Staff Contact:** Maria Reyes, Academic Support Unit; telephone (916) 653-4308

## Community-Based English Tutoring Program

Proposition 227

*Education Code* sections 315 and 316

### **1998-99 Budget Provisions**

- \$100 million was provided from the General Fund (\$50 million for 1997-98, the year when the initiative was approved by the voters, and \$50 million for 1998-99). These funds are allocated to local education agencies (LEAs) for free or subsidized adult English language instruction for parents and other community members who pledge to provide personal English language tutoring to limited-English-proficient (LEP) children and school-aged youth.
- The governing boards of LEAs must officially notify CDE of their desire to participate in the program.
- Funds will be allocated to participating LEAs on the basis of a formula that considers the number of LEP pupils identified in the Annual Language Census Survey for the prior year. If all LEAs elect to participate in 1998-99, the allocation will be approximately \$60 per LEP student.

### **Education Finance Division Comments**

Questions about this new initiative should be directed to the Adult Education Office. A letter to the field regarding the Community-Based English Tutoring Program was mailed in October 1998.



**Staff Contact:** Joan Polster, Adult Education Office; telephone  
(916) 322-2175

## Grade Nine Class-Size Reduction

Budget Act Items 6110-230-0001 and 6110-232-0001

Senate Bill 12, Chapter 334, Statutes of 1998

*Education Code* sections 52080 through 52090

### **1998-99 Budget Provisions**

- \$35.4 million is provided in the mega-item, including \$1.4 million growth and COLA allocation (a 4.02 percent increase).
- \$44.5 million (new funds) is provided to fund class-size reductions in one or two courses in grade nine. One must be a required English course; the other may be a mathematics, science, or social studies course that counts toward completion of graduation requirements.
- In each school, grade nine classes in the subject area chosen for reduction must be reduced to an average of 20 pupils per teacher; no single class may exceed 22 pupils per teacher. Pupils enrolled full time in special education special day classes and pupils enrolled in schools that qualify as necessary small schools are excluded.
- School districts may receive up to \$135 per participating ninth grade pupil if the appropriation permits.
- Districts currently participating in the Morgan-Hart Class-Size Reduction Program may continue class-size reduction in grades 10–12.
- School districts maintaining class-size reductions in grades 10–12 may receive up to \$135 per participating pupil, but the amount is not to exceed that received by the school district for the program in grades 10–12 during the 1997-98 fiscal year.

### **Education Finance Division Comments**

This program replaces the Morgan-Hart Class-Size Reduction Program; therefore, it will be necessary for school districts that are

both new applicants and prior participants in the Morgan-Hart Class-Size Reduction Program to submit applications for the Grade Nine Class-Size Reduction Program. CDE is planning to issue a program advisory and to distribute applications in October 1998 to all school districts maintaining grade nine. Advance program payments will be based on the plans for implementing the program that are reported on the program application. Final apportionment adjustments reflecting actual annual data will be made after the close of the fiscal year.

**Staff Contacts:** Neal Yeager, Secondary Education Division;  
telephone (916) 657-3474  
Ross Valentine, Education Finance Division;  
telephone (916) 327-4405

### Instructional Materials for Mathematics, K–12

Budget Act Item 6110-150-0001

*Education Code* sections 60450 through 60452.5

#### **1998-99 Budget Provisions**

- \$250 million was appropriated from the General Fund to the State Instructional Materials Fund for the purchase of mathematics instructional materials for K–12. This appropriation is for the implementation of AB 2041 (Chapter 98, Statutes of 1998).
- Materials for grades K–8 must have been adopted by the State Board of Education (SBE) and must be aligned with the state content standards.
- Materials for grades 9–12 must be aligned with state content standards and adopted by the local school district governing board.
- If, prior to the allocation of these funds, the local governing board has purchased mathematics materials with content that the SBE certifies is consistent with that of the SBE-approved content standards, these funds may be used for other content areas.

**Education Finance Division Comments**

The Budget Act directs the allocation of the K–12 Mathematics Instructional Materials funding on the basis of equal amounts per ADA. Assembly Bill 2041, on the other hand, specifies the allocation of the same funds on a per-pupil basis. The Curriculum Frameworks and Instructional Resources (CFIR) Office will be preparing cleanup legislation to resolve this conflict and other related issues. After that legislation has been approved, the CFIR Office will disseminate additional implementation information. Pending resolution of these issues, an advance apportionment of 75 percent of the \$43 per ADA full funding rate will be made in October.

**Staff Contact:** Ging Tucker, Education Finance Division; telephone (916) 324-4536

## Instructional Time and Staff Development Reform

19

Budget Act Item 6110-112-0001

Senate Bill 1193, Chapter 313/98

*Education Code* sections 44579 through 44579.4

**1998-99 Budget Provisions**

- \$195 million is provided from the General Fund (new funds).
- Authority was repealed for staff development to be provided as a part of the instructional year. Districts must provide 180 days of instruction (or the equivalent number of annual instructional minutes).
- \$270 per day, for up to three days, is available for each certificated classroom teacher; and \$140 per day, for up to one day, is provided for each classified instructional aide and certificated teaching assistant.
- Each staff development day is required to be at least as long as the full-time instructional workday for certificated or classified instructional employees. A single staff development day may be conducted over several calendar days, but

staff development days are not permitted on minimum days.

- For the 1998-99 school year only, the State Board of Education is allowed to waive the obligation to provide 180 instructional days and to authorize continuance of staff development if (1) the LEA provides evidence that without counting staff development time, the district will not be able to meet the minimum instructional time requirements; and (2) the local school district governing board has approved the school calendar prior to September 19, 1998. The maximum amount of instructional time that may be waived may not exceed the number of days that the school district previously approved for staff development within the school calendar or in a school-site plan.
- The district receiving a waiver for the 1998-99 school year is required to ensure that both of the following occur: (1) the combined instructional time and staff development time provided by the district pursuant to the waiver meet or exceed 180 days or the equivalent number of instructional minutes; and (2) the actual instructional time provided is at least 172 days or the equivalent number of annual instructional minutes.

#### ***Education Finance Division Comments***

The department will issue applications for this program in late October. Payment will be made to LEAs after the department has received the applications. After the superintendent of the school district, the county superintendent of schools, or the chief officer of the charter school, as appropriate, has certified the total number of teacher-days for attending staff development training that complies with all applicable program provisions, a final funding adjustment will be made to the amounts paid.

***Staff Contact:*** Bruce Hagen, Middle Grades Teacher Education and Professional Development; telephone (916) 657-2984

## School-Based Mathematics Staff Development Programs

Education Omnibus Trailer Bill (Chapter 330/98) Section 52(a)  
*Education Code* Section 44695, et seq. (Chapter 3.25 of Part 25 ),  
 and Section 44720, et seq. (Chapter 3.33 of Part 25)

### **1998-99 Budget Provisions**

- AB 2442 grants provide \$14.25 million to reimburse school districts and county offices of education for fees and materials costs for teachers to take mathematics courses offered by the mathematics departments of accredited California higher education institutions. The grant amounts shall be based on an equal amount of dollars per number of qualifying teachers in the LEA, as documented in the application submitted to CDE, not to exceed \$2,500 per eligible teacher.
- AB 1331 grants provide \$14.25 million to school districts and county offices of education for in-service training of teachers of mathematics who teach pupils enrolled in grades 4–12 and to school-site administrators of those teachers. Grants shall be awarded competitively, and the amount shall be based on an equal amount of dollars per teacher and administrator being trained.
- AB 1331 funds may be expended for training provided by the LEA's employees or for training provided by contract providers of in-service training who have been approved by the SBE.
- The SBE shall approve providers of in-service training and the list of approved providers included in the Request for Application sent by CDE.

### **Education Finance Division Comments**

Questions about these new programs should be directed to the Reading and Mathematics Policy and Leadership Office. A letter to the field regarding the School-Based Mathematics Staff Development Programs will be mailed in the fall of 1998. Applications for the AB 1331 grants will be mailed in early 1999.

**Staff Contact:** Terry Emmett, Reading and Mathematics Policy and Leadership; telephone (916) 657-5140

## School Library Materials, K–12

Budget Act Item 6110-149-0001

*Education Code* sections 18175 through 18184

### **1998-99 Budget Provisions**

- \$158.5 million from the General Fund provided for the acquisition of school library materials. The State Controller's Office shall transfer this appropriation to the California Public School Library Protection Fund.
- School districts, to be eligible for this funding, must develop a districtwide school library plan, and the local governing boards shall certify approval of the plan.
- Funds may be expended for library resources, including books, periodicals, microforms, audiovisual materials, computer software, CD-ROMS, on-line resources, and equipment necessary to provide access to school library resources within the school library. Materials purchased with these funds shall be circulated from, or used in, the school library media center.

### **Education Finance Division Comments**

Funds will be apportioned to school districts in March 1999 based on figures from the prior-year Second Period Report of Attendance (1997-98 P-2 ADA). The rate per ADA will be approximately \$28. The Curriculum Frameworks and Instructional Resources (CFIR) Office is preparing a program advisory, which will be mailed in October 1998.

**Staff Contacts:** Barbara Jeffus, CFIR; telephone (916) 654-6161  
Ging Tucker, Education Finance Division;  
telephone (916) 324-4536

## Revenue Limits

Under California's system of school finance, general education funding is apportioned to school districts and county offices of education through a revenue limit system. Each school district has a specific revenue limit per unit of average daily attendance that is funded through a combination of local property taxes and state General Fund aid. In effect, the state provides enough funds to make up the difference between each district's property tax revenues and its revenue limit.

This section describes the fiscal changes enacted by the Legislature through the 1998 Budget Act and accompanying trailer legislation. In addition to school district and county office of education base revenue limits, there are a number of other discrete programs funded through the principal apportionment system. These programs include Adult Education, Gifted and Talented Education (GATE), and Regional Occupational Centers and Programs (ROC/Ps). Each program is presented separately in this section.

### School District Revenue Limits

Budget Act Item: None—Statutory Appropriation

Senate Bill 1564, Chapter 330/98, Section 51

*Education Code* sections 42238 through 42250.1

#### **1998-99 Budget Provisions**

- A 3.95 percent cost-of-living adjustment (COLA) is provided for K–12 revenue limits. This amount is equivalent to \$156 for elementary school districts, \$188 for high school districts, and \$163 for unified districts, based on statewide average base revenue limits before the deficit factor is applied.

#### **Education Finance Division Comments**

The enactment of SB 727 (Chapter 855/97) last fall to eliminate state funding for excused absences had the unintended consequence of making ambiguous the continuation of the statutory deficit

factor, the measure of difference between funded revenue limits and the revenue limits that should be provided pursuant to requirement of law. Senate Bill 1564 (Chapter 330/98) directs the State Superintendent of Public Instruction to apply the same deficit factor to school district revenue limits that was applied in 1997-98, thus clarifying the implementation of SB 727 as it relates to the deficit factor. With the enactment of this trailer bill, the deficit factor for 1998-99 school district revenue limits will be 0.91199; and for county offices of education, 0.89598.

In drafting the 1998-99 education spending plan, the Legislature provided sufficient funding for a 2.18 percent COLA for categorical programs. The language in the 1998 Budget Act, however, does not override existing statutory provisions for calculating a program's statutory COLA, and several programs have their COLAs linked to the higher revenue limit COLA of 3.95 percent. As a result, the Education Finance Division will calculate funding rates for summer school, K-3 Class-Size Reduction, Adult Education, and ROC/Ps, using the 3.95 percent statutory COLA, and then will deficit the entitlement to reflect the amounts contained in the budget appropriation.

The final date to correct 1997-98 P-2 ADA for inclusion in 1998-99 P-1 apportionment was October 15, 1998. See the "Calendar of Key Deadlines for 1998-99 Apportionments" (Appendix 1) for additional information regarding other key reporting dates.

**Staff Contact:** Marcia Davey, Education Finance Division; telephone (916) 445-4766

## Adult Education Program

Budget Act Items 6110-156-0001 and 6110-187-0001

*Education Code* sections 52610 through 52616.24

### **1998-99 Budget Provisions**

- \$488.6 million is provided from the General Fund, a 2.5 percent increase for growth, including \$10.6 million to fund a cost-of-living adjustment.



- \$17.5 million was previously apportioned to the Greater Avenues for Independence (GAIN) program for educational activities under CalWORKs. Activities eligible for funding are limited to those designed to increase self-sufficiency, job training, and employment.
- A \$12.5 million General Fund augmentation for CalWORKs is provided without a permanent increase in ADA caps. These funds may be used in either an Adult Education setting or in the Regional Occupational Center/Program setting. Local education agencies must first meet a CalWORKs maintenance-of-effort level and fully claim existing ADA caps to be eligible for these additional funds.

#### ***Education Finance Division Comments***

Funding for this program, based on ADA as reported on Form J-18/19, is included as part of the Principal Apportionment process. Entitlements are calculated on Form S of the K-12 Revenue Limit forms. The \$30 million specified for CalWORKs recipients will be apportioned only after LEAs have fully claimed their Adult Education cap. These funds are planned for apportionment at the First Principal Apportionment on February 20, 1999. See the "Calendar of Key Deadlines for 1998-99 Apportionments" (Appendix 1) for additional information on the dates when data are required to be reported to the California Department of Education.

**Staff Contact:** Ron Slayton, Education Finance Division; telephone (916) 324-4543

### **Adults in Correctional Facilities Program**

Budget Act Item 6110-158-0001

*Education Code* sections 41840 through 41841.8

#### ***1998-99 Budget Provisions***

- \$15.5 million is provided from the General Fund, a 4.7 percent increase.

- An additional \$402,000 is included for a cost-of-living adjustment (COLA); and \$370,000, for enrollment growth.
- Apportionment for each LEA is capped at the 1996-97 level, adjusted for growth and COLA.
- Growth shall first be allocated to LEAs with 20 or fewer ADA up to an additional 20 ADA.

***Education Finance Division Comments***

Funding for this program is based on the lesser of current-year expenses or 80 percent of the adult education statewide average revenue limit multiplied by reported 1997-98 ADA. The 1998-99 amount, however, may not exceed the amount received in the 1996-97 fiscal year, adjusted for growth and COLA. Data needed to calculate this apportionment must have been submitted on Form J-152 to the California Department of Education by September 30, 1998. The Department will apportion these funds in November 1998.

***Staff Contact:*** Daphne Kelley, Education Finance Division; telephone (916) 324-6178

## Apprenticeship Program

Budget Act Item 6110-103-0001

*Education Code* sections 8150 through 8156

***1998-99 Budget Provisions***

- \$8.3 million is provided from the General Fund; this amount is unchanged from the previous year.
- The reimbursement rate for each 60-minute hour of teaching time is \$4.22.
- New or expanded programs, to be eligible for state funding, require the approval of the State Superintendent of Public Instruction.
- No cost-of-living adjustment is provided for this program.

***Education Finance Division Comments***

Funding for this program is included as part of the Principal Apportionment process and is based on the number of teaching

hours per student that are reported on Form J-18/19 Report of Attendance. The P-1 Attendance Form J-18/19 is due on January 15, 1999. See the "Calendar of Key Deadlines for 1998-99 Apportionments" (Appendix 1) for additional information regarding dates when data are required to be reported to the California Department of Education.

**Staff Contact:** Ron Slayton, Education Finance Division; telephone (916) 324-4543

## Community Day Schools Program

Budget Act Item 6110-190-0001 and 6110-187-0001

Assembly Bill 1845, Chapter 847/98

*Education Code* sections 48660 through 48664

### **1998-99 Budget Provisions**

- \$20.4 million is provided from the General Fund, a 32 percent reduction from 1997-98. This amount includes \$436,000 to fund a cost-of-living adjustment.
- School districts under 2,501 ADA may apply for a waiver to receive funding not to exceed the amount for the necessary small high school formula for up to one teacher.
- This item has been reduced from the prior-year level to reflect more accurately the requirements for current-year expenditures. In 1997-98, \$4.2 million was expended for this program.

### **Education Finance Division Comments**

Passage of AB 1845 increases the incentive funding for community day schools from \$1,500 to \$4,000 per ADA (fifth and sixth hour additional attendance) for school districts and also provides \$3,000 per ADA for county offices of education. This legislation also increases from \$1.40 to \$4.00 the hourly rate for the seventh and eighth hours of attendance. This legislation also requires community day schools to document costs and to certify that 90 percent of the total funds expended were actually spent on the program.

Funding for this program is included as part of the Principal Apportionment process and is based on ADA as reported on Schedule Z of the K–12 Revenue Limit forms. See the “Calendar of Key Deadlines for 1998-99 Apportionments” (Appendix 1) for the dates when this information is required to be reported to the California Department of Education.

**Staff Contacts:** Sue Haseltine, Education Finance Division;  
telephone (916) 324-4551  
Dan Sackheim, Education Options Unit; tele-  
phone (916) 445-5595

### Conflict Resolution Program

Budget Act Item 6110-226-0001(b)

*Education Code* Section 32271

#### **1998-99 Budget Provisions**

- \$280,000 is provided from the General Fund; this amount is unchanged from the prior year.

#### **Education Finance Division Comments**

Funding for this program is provided to school districts through a grant application. Up to 35 districts will be eligible to receive funding for programs operating in 1998-99. Applications will be available from the Safe Schools and Violence Prevention Office in February 1999. The grant program will provide \$8,000 per school district (\$16,000 to school districts with enrollments of 25,000 or more) to support school teams to attend a two-day training session and a one-day follow-up session in conflict resolution and youth mediation.

**Staff Contacts:** Bonnie Williamson, Safe Schools and Violence Prevention Office, California Department of Education; telephone (916) 324-6159  
Steve Jefferies, California Department of Justice; telephone (916) 322-2781

## County Offices of Education

Budget Act Item: None—Statutory Appropriation

Senate Bill 1564, Chapter 330/98, Section 51

*Education Code* sections 2550 through 2573

### **1998-99 Budget Provisions**

- A cost-of-living adjustment of 3.95 percent was made available.

### **Education Finance Division Comments**

The enactment of SB 727 (Chapter 855/97) last fall to eliminate state funding for excused absences had the unintended consequence of making ambiguous the continuation of the statutory deficit factor, the measure of difference between funded revenue limits and the revenue limits that should be provided pursuant to existing law. Senate Bill 1564 (Chapter 330/98) directs the State Superintendent of Public Instruction to apply the same deficit factor to revenue limits for county offices of education that was applied in 1997-98, thus clarifying the implementation of SB 727 as it relates to the deficit factor. With the enactment of this trailer bill, the deficit factor for county offices of education will be 0.89598.

The final due date for correcting 1997-98 ADA for inclusion in the First Principal Apportionment (P-1) was October 15, 1998. See the “Calendar of Key Deadlines for 1998-99 Apportionments” (Appendix 1) for additional information regarding reporting deadlines for 1998-99.

**Staff Contact:** Jerald Saladana, Education Finance Division;  
telephone (916) 324-4535

## Gang Risk Intervention Program (GRIP)

Budget Act Item 6110-109-0001

*Education Code* sections 58730 through 58736

### **1998-99 Budget Provisions**

- \$3 million is provided from the General Fund; this amount is unchanged from the prior year.

- GRIP programs are required to include counseling, sports and cultural activities, job training and information, positive interaction with law enforcement, and teacher in-service training. The program must also provide a full-time, paid, community-based coordinator who is familiar with local gang structures.

***Education Finance Division Comments***

Funding for this program is allocated to county offices of education through a grant application process. Currently, 15 counties receive support for programs operating in 1998-99. Applications for funds to operate programs in 1999-2000 will be available in December 1998.

***Staff Contact:*** Chuck Nichols, Safe Schools and Violence Prevention Office; telephone (916)□323-1026

## Gifted and Talented Education (GATE)

Budget Act Item 6110-230-0001

*Education Code* sections 52200 through 52212

***1998-99 Budget Provisions***

- \$55.6 million is provided from the General Fund, including \$2.2 million for growth and COLA.
- As part of the mega-item, funding is subject to local option transfer—a maximum of 15 percent may be redirected from GATE to other mega-item programs, or funding may be redirected from other programs to increase GATE by a maximum of 20□percent.

***Education Finance Division Comments***

Funding for this program is included as part of the Principal Apportionment process and is based on prior-year ADA or on the number of pupils participating in GATE for either one or two semesters, depending on the size of the district. This information is separately reported on the Form J-22 Supplement. GATE Form J-22 for the First Principal Apportionment must be sent to the depart-

ment by January 15, 1999. See the "Calendar of Key Deadlines for 1998-99 Apportionments" (Appendix 1) for additional information regarding dates when data are required to be reported to the California Department of Education.

**Staff Contact:** Daphne Kelley, Education Finance Division; telephone (916) 324-6178

## High-Risk Youth Education and Public Safety Program

Budget Act Item 6110-212-0001

*Education Code* sections 47760 through 47773

### **1998-99 Budget Provisions**

- \$20 million is provided from the General Fund for program expansion, an increase from the prior-year amount of \$3.6 million.
- The High-Risk Youth Education and Public Safety Program provides early intervention services and recognizes the unique needs of high-risk youths through two distinct programs. The High-Risk First-Time Offenders Program provides education, probation, and social services for first-time offenders, 15 years of age or younger who meet specified criteria. The Transitioning High-Risk Youth Program targets youths who have been committed to a detention facility and have a high risk of reoffending. Both programs require a structured individualized daily program of at least eight hours or up to twelve hours that includes a minimum of four hours of academic instruction during every school day.

### **Education Finance Division Comments**

Funding for this program is allocated to county offices of education and school districts through a grant application process. Currently, 26 programs are designated for funding in 1998-99. Grant funding is for five years, with no new applications being accepted at this time.

**Staff Contact:** Daphne Kelley, Education Finance Division; telephone (916) 324-6178  
Linda Davis-Alldritt, Safe School and Violence Prevention Office; telephone (916) 327-5930

Necessary Small School Funding

Budget Act Item: None—Statutory Appropriation  
Education Code sections 42280 through 42289.4

1998-99 Budget Provisions

- \$88.4 million is provided from the General Fund, including a 3.95 percent cost-of-living adjustment.

Education Finance Division Comments

Funding for this program is included as part of the Principal Apportionment process. Entitlements are calculated on Schedule F of the K-12 Revenue Limit forms. The tables that follow display the Necessary Small Schools funding formulas that qualifying districts or schools may elect in lieu of revenue limit-based support. These schedules, however, do not reflect adjustments that will be made to the ADA pursuant to SB 1468 (Chapter 925/98)—the cleanup bill to SB 727. Senate Bill 1468 requires that the ADA ranges be reduced by the statewide average rate of excused absences for 1996-97. The department is collecting this data.

**Elementary schools.** For an elementary school district with a single school with less than 101 ADA, and for each qualifying necessary small elementary school within a school district of less than 2,501 ADA, the 1998-99 Necessary Small School amounts will be computed based either on the school’s ADA or on the number of full-time teachers, whichever provides the lesser amount.

Table 5 • Necessary Small School Amounts, Elementary Schools

| Number of Teachers | ADA    | Estimated Amount |
|--------------------|--------|------------------|
| 1                  | 1-25   | \$ 94,225        |
| 2                  | 26-50  | 188,450          |
| 3                  | 51-75  | 282,675          |
| 4                  | 76-100 | 376,900          |



**High schools.** For each qualifying necessary small high school within a district of less than 2,501 ADA, the 1998-99 small school amount will be based either on the number of full-time equivalent certificated employees assigned to the school or on the school's ADA, whichever provides the lesser amount.

**Table 6 • Necessary Small School Amounts, High Schools**

| Certificated Employees | ADA     | Estimated Amount |
|------------------------|---------|------------------|
| 2 or less              | 1–20    | \$76,497         |
| 3                      | 1–20    | 340,236          |
| 4                      | 21–40   | 416,733          |
| 5                      | 41–60   | 493,230          |
| 6                      | 61–75   | 569,727          |
| 7                      | 76–90   | 646,224          |
| 8                      | 91–105  | 722,721          |
| 9                      | 106–120 | 799,218          |
| 10                     | 121–135 | 875,715          |
| 11                     | 136–150 | 952,212          |
| 12                     | 151–180 | 1,028,709        |
| 13                     | 181–220 | 1,105,206        |
| 14                     | 221–260 | 1,181,703        |
| 15                     | 261–300 | 1,258,200        |

See the “Calendar of Key Deadlines for 1998-99 Apportionments” (Appendix 1) for additional information regarding dates when data are required to be reported to the California Department of Education.

**Staff Contact:** Ron Slayton, Education Finance Division; telephone (916) 324-4543

### Partnership Mini-Grants/Safe School Planning

Budget Act Item 6110-226-0001(a)

*Education Code* Section 35294.5

#### 1998-99 Budget Provisions

- \$3.5 million is provided from the General Fund; this amount is unchanged from the previous year. Provisions require that \$2.9 million be transferred to Supplemental Grant funds

designated by school districts for safety purposes, leaving \$628,000 for this grant.

- Selected county offices of education provide the training to school district staff on a regional basis. The training is designed to help local educators and their law enforcement counterparts develop comprehensive safe schools plans.

#### ***Education Finance Division Comments***

Funding for the safe school implementation grant program is provided to school districts through competitive grants. Currently, 94 schools receive funding for implementing a portion of their existing comprehensive safe schools plan. Applications for funds to operate programs in 1998-99 were mailed to local education agencies in October 1998.

**Staff Contacts:** David Ryan, Safe Schools and Violence Prevention Office, California Department of Education; telephone (916) 323-1024  
Steve Jefferies, California Department of Justice; telephone (916) 322-2781

### **Regional Occupational Centers and Programs (ROC/Ps)**

Budget Act Items 6110-105-0001 and 6110-187-0001

*Education Code* sections 52300 through 52335.10

#### ***1998-99 Budget Provisions***

- \$309 million, including \$6.6 million for a cost-of-living adjustment, is provided from the General Fund, a 3.97 percent increase.
- \$1.2 million is designated for educational activities for CalWORKs-eligible recipients. Allowable activities are limited to those designed to increase self-sufficiency, job training, and work. There is an additional \$17.5 million appropriation for CalWORKs-eligible recipients in Item 6110-156-0001. Those funds may also be used for Regional Occupational Centers/Programs (ROC/Ps).

- A \$30 million General Fund augmentation is provided, without an increase in ADA caps, for the purposes cited previously. These funds may be used in either an Adult Education setting or an ROC/P setting. Local education agencies (LEAs) must first meet CalWORKs maintenance of effort level and fully claim ADA caps before qualifying for these additional funds. The State Superintendent of Public Instruction is required to allocate funds only after LEAs certify that the specified services have been provided.
- The ROC/P program is declared ineligible for longer-school-year incentive funding.

#### ***Education Finance Division Comments***

Funding for this program is included as part of the Principal Apportionment process and is based on ADA reported on Form J-18/19. Entitlements are calculated on Form R/Y of the K-12 Revenue Limit forms.

Assembly Bill 322, Chapter 149/98, prescribes a new formula to calculate the pro rata share of the funded-growth ADA. The allowed-growth ADA will be based on the prior-year ADA in grades 9–12 for school districts served by the ROC/Ps. This number is measured against the total statewide prior-year ADA in grades 9–12. The Education Finance Division will provide LEAs with the allowed-growth ADA by ROC/P in November 1998. Funding will be apportioned at the First Principal Apportionment (P-1) on February 20, 1999.

The \$31.2 million specified for CalWORKs recipients will be apportioned only after the LEAs have fully claimed their ROC/P cap and certified that services have been provided to recipients eligible for CalWORKs. These funds will be apportioned at the First Principal Apportionment (P-1) on February 20, 1999. See the “Calendar of Key Deadlines for 1998-99 Apportionments” (Appendix 1) for additional information regarding dates when data are required to be reported to the California Department of Education.

**Staff Contact:** Ron Slayton, Education Finance Division; telephone (916) 324-4543

### School Community Violence Prevention Program

Budget Act Item 6110-226-0001(c)

*Education Code* Section 32271

#### **1998-99 Budget Provisions**

- \$700,000 is provided from the General Fund; this amount is unchanged from the prior year.

#### **Education Finance Division Comments**

Currently, 17 school districts receive funding for this program, which operates on a four-year grant cycle. These 17 districts selected between 1995-96 and 1997-98 will continue to receive funding in 1998-99. No new grant competitions will be held in 1998-99 for this funding. The program is intended to develop collaborative strategies to reduce violence in the school community.

**Staff Contacts:** Bobbie Williamson, Safe Schools and Violence Prevention Office, California Department of Education; telephone (916) 324-6159  
Olin Jones, Department of Justice; telephone (916) 324-7863

### School-Site Block Grant

Senate Bill 1564, Chapter 330/98, Section 43(b)

#### **1998-99 Budget Provisions**

- \$180 million is provided from the General Fund (new funding) for one-time per-pupil block grants in 1998-99 for each regular public school.
- Funds will be distributed on the basis of an equal amount per unit of 1997-98 P-2 ADA, with every regular public school receiving a minimum of \$10,000.

- A regular public school is defined as follows:  
 “ . . . any public school at a district and wholly self-contained public school site, and with a separate county-district-school (CDS) code, as maintained by the Superintendent of Public Instruction as of June 30, 1998, and which is in operation during the 1998-99 school year. Two or more schools that share a physical site or staff shall be considered a single ‘regular public school’ for purposes of qualifying for the minimum ten thousand dollar (\$10,000) grant, which shall be allocated to the separate schools sharing the site, based on each school’s share of qualifying average daily attendance.”
- Funds are to be used by the district or county-operated site according to plans from the school-site council or other schoolwide advisory group, as specified. The school district governing board and each school-site group must agree on an expenditure plan by May 1, 1999; otherwise the grant must be returned to the state.

#### ***Education Finance Division Comments***

The California Department of Education (CDE) estimates that each school site could receive an average of \$30 per ADA, depending on data submitted by the local education agencies.

Charter schools are specifically eligible for this grant under the conditions specified in the law. Because CDE collects ADA at the district level only, and not by school site, school districts and county offices of education will be required to certify the allocation of 1997-98 Second Principal Apportionment ADA to each school site in its jurisdiction and to designate which CDS codes are associated with each site. Certification forms will be distributed to the county offices of education in October 1998. Funds will be distributed in December 1998.

***Staff Contact:*** Patty Eid, Education Finance Division; telephone (916) 324-4540

## Summer School Program

Budget Act Items 6110-104-0001 and 6110-187-0001

Assembly Bill 1639, Chapter 743/98

Senate Bill 1370, Chapter 942/98

*Education Code* sections 37252 through 37253 and 42239

### **1998-99 Budget Provisions**

- \$66.7 million was provided from the General Fund for remedial summer school, a 19 percent increase, plus a 2.18 percent COLA of \$1.5 million.
- \$30 million additional funding was provided by SB 1370 for remedial summer school for pupils retained or identified as at risk of retention in grades 7–9.
- \$114 million was provided from the General Fund for core summer school, a 9 percent increase, plus a 2.18 percent COLA of \$2.6 million.
  - District entitlements for the core summer school programs are capped at 7 percent of prior-year enrollment, multiplied by 120 hours and the hourly rate (\$2.68).
  - If funds claimed exceed the available balance of the appropriation in required programs for retained pupils in grades 2–9, then funding will be prorated according to each school district's share of the total hours.
  - After funding the supplemental remedial services, any unexpended balance of the appropriation made for core academic summer school programs may be reallocated for reimbursement of actual summer school programs, up to 10 percent of the district's total enrollment.
  - The balance of the appropriation may be used to reimburse costs for pupils in grades 2–6 at risk of retention or with low Standardized Testing and Reporting (STAR) program scores.
- \$75 million additional funding was provided by SB 1370 for supplemental instructional programs for retained pupils in grades 2–9; for pupils in grades 2–6 recommended for, or at risk of, retention; and for pupils with low STAR scores.

- Statewide cap of 10 percent of statewide total enrollment in grades 2–6 multiplied by 120 hours and the hourly rate of \$2.68.
- District cap of 5 percent of statewide enrollment in grades 2–6 multiplied by 120 hours and the hourly rate of \$2.68.
- District priorities of service for pupils in grades 2–6 are:
  - a. Retained
  - b. Recommended for, or at risk of, retention
  - c. Low STAR score(s)
- If the capped amount for grades 2–6 is fully expended, then the district may claim against any remainder of the \$75 million provided for core summer school programs for retained pupils in grades 2–9.

#### ***Education Finance Division Comments***

Assembly Bill 1639 requires LEAs to offer summer school or other remedial instruction to students who are retained in grades 2–9. The bill also authorizes the provision of optional remedial instruction to students in these grades who are identified as being at risk of retention or who have low scores on the state’s STAR program. Remedial classes may be offered before or after school, on Saturdays, or during the summer.

Senate Bill 1370 appropriated \$105 million to fund the additional remedial instruction. Of this amount, \$75 million is earmarked for required programs serving students in grades 2–6. The remaining \$30 million augments the appropriation for mandated proficiency (remedial) summer school programs and is available to serve students in grades 7–9. The priorities for the use of the summer school and remedial instruction funds are outlined on the preceding page.

Funding for 1998 summer school is based on the number of student hours reported on Attendance Form J-18/19. See “Calendar of Key Deadlines for 1998-99 Apportionments” (Appendix 1) for the dates for reporting apportionment information.

Funding for other remedial instruction provided during the 1998-99 fiscal year will be based on student hours reported on a separate work sheet to be distributed by the Education Finance Division.

**Staff Contact:** Sue Haseltine, Education Finance Division;  
telephone (916) 324-4551



## *Categorical Programs*

Categorical programs typically are governed by a unique set of statutes specifying the intent for the funding, the uses to which the funding is restricted, the application requirements, and the method for determining LEA allocations. Since the 1992-93 Budget Act, allocations for most categorical programs have been included in the “mega-item,” a single budget appropriation covering over 30 categorical programs. The provisions of the mega-item direct the California Department of Education (CDE) in allocating the appropriation to each program. In the following pages categorical programs have been grouped as “Mega-Item Programs” or as “Non Mega-Item Programs.” The programs included in this section either are significant in dollar amount of funding or have new and unique conditions governing their funding.

### *Mega-Item Programs*

The mega-item provides over \$2.3 billion for more than 30 selected categorical programs. This decrease in funding from the prior year reflects the exclusion of \$165 million from the Instructional Materials Fund (IMF) and \$8 million from the Partnership Academies Programs. For 1998-99 the IMF and Partnership Programs have been funded in their own Items (K-8 IMF in Item 6110-186-0001, 9-12 IMF in Item 6110-185-0001, and Partnership Academies in Item 6110-166-0001). The list of mega-item programs is otherwise unchanged (see Appendix 2, “1998-99 Mega-Item Program Allocations”).

As in previous years, the Budget Act appropriation includes the base funding for each program and any supplemental grant “add-ons” elected by the local agency in October 1995. Pursuant to the provisions of the mega-item, statewide program allocations are again calculated by CDE based on prior-year funding levels, plus any growth and COLA adjustments. Amounts pro-

vided to LEAs from each program allocation will be established by formulas contained in pre-existing statutes.

**Growth and COLA Funding.** The \$94.1 million augmentation to fund enrollment growth and COLA for mega-item programs was originally vetoed and set aside by the governor, pending enactment of legislation to implement a comprehensive remedial instruction program addressing low-performing schools, social promotion, and school accountability. The Legislature subsequently passed, and the governor signed, SB 1370 which restored these funds. As a result, all categorical mega-item programs will receive funding for enrollment growth of about 1.82 percent and a COLA of about 2.18 percent.

**Funding Flexibility.** The limitation on mega-item transfers of funds, as used in previous years, has again been provided. LEAs may transfer up to 15 percent of state funds allocated to any mega-item program into another mega-item program provided that the receiving program's state funds do not increase by more than 20 percent. In addition, the transfer provision may again be used to initiate, continue, or expand a Healthy Start Program (Education Code Section 8800) or to initiate a Conflict Resolution Program (Education Code Section 32260).

**Block Grant Adjustment.** Pursuant to Item 6110-231-0001 of the 1998 Budget Act, a \$67.8 million block grant will again be apportioned to LEAs for expenditure in mega-item programs. This block grant will be in addition to any growth and COLA funding. The block grant will be apportioned as it was last year: \$67.8 million will be paid in a single apportionment to all school districts and county offices of education on the basis of an equal amount per unit of 1997-98 actual P-2 ADA (i.e., the second period report of attendance). Local education agencies must distribute the allocation to one or more of the programs funded in the mega-item. No deadline is imposed on the distribution of

the block grant to the mega-item programs; the block grant funding may be spent in any fiscal year, provided that it is ultimately expended in a program that was in the 1998-99 mega-item. An estimated \$12.18 per ADA will be allocated as a block grant.

**Supplemental Grants.** Following adoption of Proposition 98 in 1988, the Legislature initiated a funding source to equalize categorical state aid over a three-year period. About \$180 million in funding, first apportioned in the 1989-90 fiscal year, was paid annually to districts to supplement funding received pursuant to their revenue limit or to any of 27 categorical programs. Districts selected the programs to receive the “supplemental grant” funding. With the sunset of the supplemental grant legislation, the Legislature opted to continue the funding but allowed districts to re-designate the programs that would receive the supplemental grant. The goal was to make the supplemental grant an invisible, permanent part of each selected program’s funding. Subsequently, as circumstances changed, additional re-designations were allowed with the “final, final window of opportunity” closing on October 1, 1995, as cited in Education Code Section 54761.2. Because of the unique funding formulas employed in the various categorical programs, supplemental grants have not been successfully blended into the locally designated categorical programs. The Education Finance Division has had to apportion each separately. Therefore, the categorical program paragraphs that follow will identify the amount of the appropriation that must be reserved and directed to specific school districts for their supplemental grant designations.

**General Staff Development.** This year’s mega-item again includes a provision that places conditions on the receipt of general staff development funds from the item. General staff development funds paid out of the mega-item must be used on

a priority basis that ensures that “(1) each probationary certificated employee assigned to a school within the district as a new teacher receives appropriate training assistance, and evaluation; and (2) state categorical funding for administrator training is supplemented, as needed, so that personnel assigned to evaluate teachers achieve competence in instructional methodologies and evaluation for teachers they are assigned to evaluate” (Budget Act Item 6110-230-0001).

A listing of programs in the mega-item and the statewide funding level for each program is provided in Appendix 2, “1998-99 Mega-Item Program Allocations.”

### California Professional Development, School Development Plans (SB 1882)

Budget Act Item 6110-230-0001

*Education Code* sections 44670.1 through 44671.5

#### ***1998-99 Budget Provisions***

- \$15.2 million is available from the \$19 million appropriated, including \$0.6 million for growth and COLA (a 4.02 percent increase).
- The funding rate will increase to \$12.56 per ADA in grades 9–12.

#### ***Education Finance Division Comments***

Seventy-five percent of each entitlement will be apportioned in December 1998. The final allocations will be apportioned in the spring of 1999. Entitlements will be printed in Part II of the 1998-99 Consolidated Application, which was mailed to local education agencies in September.

***Staff Contact:*** Ross Valentine, Education Finance Division;  
telephone (916) 327-4405

## Child Nutrition Program

Budget Act Item 6110-202-0001

*Education Code* sections 41352, 49550, 49559 and 49536

### **1998-99 Budget Provisions**

- \$63.7 million is provided for state child nutrition programs, including \$2.5 million for growth and COLA (a 4.02 percent increase).
- \$2.5 million is reserved for Supplemental Grant allocation.
- \$1.0 million is provided for School Breakfast or Summer Food Service Program startup grants. This appropriation will fund an estimated 200 grants.

### **Education Finance Division Comments**

The 1998-99 budget will fund state child nutrition programs at the following rates for 1998-99:

- \$0.1209 reimbursement rate for each free and reduced-cost breakfast and lunch served
- \$0.6545 reimbursement rate for each full supplement served to pregnant and lactating minors
- \$0.3273 reimbursement rate for each partial supplement served to pregnant and lactating minors

The preceding rates are available to public schools that have successfully applied to participate in the Child Nutrition Program. For more information regarding this application process, please contact the Child Nutrition and Food Distribution Division at (916) 445-0850.

School districts interested in the School Breakfast or Summer Food Service Program startup grant may apply to their respective Child Nutrition and Food Distribution Division program office. Applications may be obtained by contacting the Child Nutrition and Food Distribution Division at (916) 445-0850.

**Staff Contact:** Phyllis Savage, Education Finance Division;  
telephone (916) 322-8326

## Desegregation Programs

Budget Act Items 6110-230-0001, 6110-115-0001, and 6110-116-0001

Senate Bill 1564, Chapter 330/98, Section 50

*Education Code* sections 42247 through 42249.4

### **1998-99 Budget Provisions**

- \$589.7 million is provided from the mega-item to fund desegregation programs. This \$16 million increase over the previous year reflects the addition of new programs.
- \$118 million of the total is allocated to Voluntary Desegregation Programs.
- \$471.7 million of the total is allocated to Court-Ordered Desegregation Programs.
- \$19 million growth and COLA allocation for the Court-Ordered Program and a \$4.7 million allocation for the Voluntary Desegregation Program (a 4.02 percent increase for each) are provided.
- To qualify for funding, districts must submit a report to the Legislature on or before March 1, 1999, which includes the following information: (1) how the funds have been used to alleviate the harmful effects of racial isolation; and (2) how the funds have been used to improve the academic performance of pupils in schools that receive desegregation funds. If the report is not received by the due date, the State Controller may not pay the claim.
- An additional augmentation of \$19.3 million is provided in Budget Act Item 6110-115-0001 for specified school districts. Districts must submit to the CDE the program outcome data collected over the prior three years, including the ethnic distribution of pupils at schools receiving desegregation funds and the measures of pupil success. Districts must indicate whether their programs were initiated voluntarily or as a result of a consent decree.
- An additional augmentation of \$14,000 was made for a new program in the Las Lomitas Elementary School District. The

district must submit program outcome data as indicated in the previous item.

***Education Finance Division Comment***

Appropriations for desegregation funding, by district, appear in appendixes 4 and 5. The State Controller's Office will apportion funding for desegregation programs.

***Staff Contacts:*** Rich Zeiszler, Education Finance Division,  
California Department of Education; telephone  
(916) 324-4533  
Neimand Quok, State Controller's Office; telephone  
(916) 323-0734

## Economic Impact Aid

Budget Act Item 6110-230-0001

*Education Code* sections 54000 through 54041

***1998-99 Budget Provisions***

- \$400.9 million is provided from the General Fund, including \$15.5 million for growth and COLA (a 4.02 percent increase).
- \$17.9 million was reserved for Supplemental Grants.
- The minimum rate per AFDC plus LEP will increase from \$141 to approximately \$148.33.
- The minimum funding rates per district will be \$4,422 for districts with less than ten AFDC plus LEP pupils and \$6,635 for districts with more than ten AFDC plus LEP pupils.

***Education Finance Division Comments***

Funding will be apportioned within the Special Purpose Apportionment in ten monthly installments beginning in September. Entitlements were printed in Part II of the 1998-99 Consolidated Application mailed in September.

***Staff Contact:*** Ross Valentine, Education Finance Division;  
telephone (916) 327-4405

## Funding Flexibility

Budget Act Item 6110-230-0001, Provision 2

### ***1998-99 Budget Provisions***

- Up to 15 percent of the funding received from the mega-item for any program may be used to supplement other mega-item programs for which the LEA is eligible.
- The “transfer in” of funds from another mega-item program may not cause the receiving program’s state funding to exceed 120 percent of the 1998-99 state funds received from the mega-item.
- The limitations on transfers shall be computed as a percentage of the 1998-99 state funds received from the mega-item.
- The 1997-98 provision allowing transfers to the class-size reduction program of up to 50 percent of the funding received from this item for any program has not been renewed for 1998-99.
- The transfer provision may again be used to initiate, continue, or expand a Healthy Start Program (Education Code Section 8800) or to initiate a Conflict Resolution Program (Education Code Section 32260).

### ***Education Finance Division Comments***

As in previous years, any funding transfer pursuant to Provision 2 of Item 6110-230-0001 will not affect entitlements in future years. Because authorization to transfer funds among mega-item programs is included as part of the 1998 Budget Act and is not a permanent statutory amendment, the flexibility provided by this item is applicable only to the 1998-99 fiscal year.

***Staff Contact:*** Rich Zeiszler, Education Finance Division;  
telephone (916) 324-4533



## Mentor Teacher Program

Budget Act Item 6110-230-0001

*Education Code* sections 44490 through 44497

### **1998-99 Budget Provisions**

- \$80.6 million is provided from the General Fund, including \$3.1 million for growth in the number of teachers and COLA (a 4.02 percent increase).
- \$164,992 of the total allocation is reserved for Supplemental Grant Allocations as previously elected by school districts.
- Mentorships will be available for up to 5 percent of the LEA's teachers, as measured by the October 1997 teacher count.
- LEAs will receive \$5,680 per mentor. The stipend paid by the district can range from \$4,000 to \$4,629. The "other-cost" allowance paid per mentor may not exceed \$2,313. The total of the stipend and "other-cost" allowance cannot exceed \$6,942 per mentor.

### **Education Finance Division Comments**

Local education agencies have the discretion to set the stipend and "other-cost" allowance per mentor within the ranges stated previously. Combined stipend and allowances exceeding the state's funding rate per mentor must be supported by other funding sources or by the appointment of fewer mentors. Application for the Mentor Teacher Program was made in Part I of the 1998-99 Consolidated Program Application that was due to CDE on June 1, 1998. Applicant LEAs will be notified of the maximum number of mentor positions and the corresponding program entitlement in an advisory to be sent to superintendents in November 1998. The Mentor Teacher apportionment is scheduled for January 1999.

**Staff Contact:** Julie Brucklacher, Education Finance Division;  
telephone (916) 327-4406

## Miller-Unruh Basic Reading Program

Budget Act Item 6110-230-0001

*Education Code* sections 52859 and 54100 through 54145

### **1998-99 Budget Provisions**

- \$31.8 million is provided from the General Fund, including \$1.2 million for growth and COLA (a 4.02 percent increase).
- \$6.2 million has been reserved for Supplemental Grants.
- The rate per full-time reading specialist teacher will increase to \$24,151, and the number of state-funded reading specialist positions will increase to 1,059.

### **Education Finance Division Comments**

LEAs must apply for Miller-Unruh Reading Specialist positions. Applications should be submitted to Gloria Guzman-Walker in the Elementary Academic Support Unit; telephone (916) 657-3034. The Education Finance Division will apportion 75 percent of the allocation per specialist in November 1998.

**Staff Contact:** Ging Tucker, Education Finance Division; telephone (916) 324-4536

## Pupil Transportation Program

Budget Act Item 6110-230-0001

*Education Code* sections 41850 through 41854 and 39800 through 39860

### **1998-99 Budget Provisions**

- \$519 million is provided from the General Fund, including \$20 million for growth and COLA (a 4.02 percent increase).
- Base allocations for the transportation of Severely Handicapped / Orthopedically Handicapped (SH/OH) students will equal approximately \$163 million of the total appropriation.
- Base allocations for Home-to-School Transportation will equal approximately \$277.9 million of the total appropriation.

- As previously elected by LEAs, \$78.1 million of the total appropriation is reserved for Supplemental Grant Allocations for the Home-to-School Transportation programs.

#### ***Education Finance Division Comments***

The Advance Apportionment for pupil transportation was made in September 1998, to be followed by monthly payments through June 1999. For purposes of calculating the September advance, the current-year appropriations (exclusive of growth and COLA funds) were distributed proportionate to the receipt of prior-year allowances. The advance will be recertified in December to include growth and COLA funding. Special education transportation will receive the 4.02 percent increase. The growth and COLA for home-to-school transportation will be distributed in proportion to the receipt of prior-year SB 120 (Chapter 492/95) funding.

In April, following the processing of the 1997-98 Transportation Expenditure Report, which is due on November 2, 1998, the Advance Apportionment will again be recertified to reflect actual 1997-98 costs. The home-to-school transportation growth and COLA will be redistributed at that time on the basis of the SB 120 formula, which distributes any increase in funding (i.e., growth and COLA increases) to those agencies that maintain a minimum walking distance policy and whose cost of transporting low-income pupils exceeds the statewide average.

**Staff Contact:** Leslie McCage, Education Finance Division; telephone (916) 324-4537

### **Small School District Bus Replacement Program**

Budget Act Item 6110-230-0001

*Education Code* sections 42290 through 42293 and 42301.1 through 42303

#### ***1998-99 Budget Provisions***

- \$3.9 million is provided from the General Fund, including \$0.2 million for growth and COLA (a 4.02 percent increase).

***Education Finance Division Comments***

Funds will be awarded according to the ranking assigned in January 1998 to the bus replacement applications submitted in September 1997. The most recent contract prices for school buses as prepared by the California Department of General Services will determine the amount of the award.

***Staff Contact:*** Leslie McCage, Education Finance Division;  
telephone (916) 324-4537

## School Improvement Program

Budget Act Item 6110-230-0001

*Education Code* sections 52000 through 52049.1

***1998-99 Budget Provisions***

- \$394.4 million is provided from the General Fund, including \$15.3 million for growth and COLA (4.02 percent).
- Included is \$19.4 million reserved for Supplemental Grant allocations previously elected by LEAs.
- Excluding amounts reserved for Supplemental Grants, the K–6 portion will be \$314 million, and the 7–12 portion will be \$60.9 million. The K–6 “ceiling rate” (i.e., the funding rate above which districts do not receive additional COLA or expansion funds) will increase to approximately \$117.29.
- K–6 entitlements for districts under the ceiling rate will increase by a minimum of 2.18 percent.
- The estimated funding rates per ADA for grades 7–8 will be approximately \$110.77 for fully funded districts and \$31.17 for later program entrants; for grades 9–12 the per ADA rate will be \$79.92.

***Education Finance Division Comments***

Final School Improvement Program (SIP) entitlements will be calculated in October 1998. Funding will be apportioned within the Special Purpose Apportionment in ten monthly installments beginning in September. The September Advance Apportion-

ment, however, did not include growth and COLA funds. Similarly, entitlements printed in Part II of the 1998-99 Consolidated Application mailed in September 1998 did not include growth and COLA adjustments.

**Staff Contact:** Julie Brucklacher, Education Finance Division;  
telephone (916) 327-4406

## Tenth-Grade Counseling

Budget Act Item 6110-230-0001

*Education Code* sections 48431.6 and 48431.7

### **1998-99 Budget Provisions**

- \$14.6 million is provided from the General Fund, including \$0.6 million for growth and COLA (a 4.02 percent increase).
- \$5 million has been reserved for Supplemental Grants.
- The rate per CBEDS, October 1997, grade ten enrollment will increase to \$22.91.

### **Education Finance Division Comments**

A single allocation to all school districts based on the number of students enrolled in grade ten, as of October 1997, will be made in April 1999.

**Staff Contact:** Ging Tucker, Education Finance Division; telephone (916) 324-4536

## *Non Mega-Item Programs*

Non mega-item programs are categorical programs for which an appropriation has been established in an item of the Budget Act other than in mega-item 6110-230-0001. A listing of categorical programs that are not in the mega-item and the statewide funding level for each program is provided in Appendix 3, "1998-99 Non Mega-Item Appropriations."

## Child Care and Development—General

General Programs—COLA and Annualized Expansion

Budget Act Items 6110-196-0001 and 6110-196-0890

*Education Code*, Chapter 2, Section 8200 et seq.

### **1998-99 Budget Provisions**

- Base funding of \$902 million is provided (\$621 million from the General Fund and \$281 million in federal funds).
- \$20 million is provided for augmentation for a 2.18 percent COLA.
- \$38 million is provided for annualized expansion funding for the state preschool, full-day preschool, and general child care programs begun in 1997-98. Funding is distributed as follows: \$9.3 million for the state preschool program, \$5.7 million for the full-day preschool program, and \$23 million for general programs to serve infants and toddlers.
- \$6 million is provided to compensate child care and development service contractors for the impact of increases in the federal or state minimum wage.

### **Education Finance Division Comments**

The department will distribute a 2.18 percent COLA to child care and development program providers. This distribution will be accomplished as a contract amendment to be sent to contracting agencies in October 1998. (This amendment will also include a distribution of minimum wage funds to General Fund direct services contractors. Please see the next paragraph.) Payment should be expected within four to five weeks from the time the amended contract is received by CDE's Contracts Office.

Of the \$6 million appropriated for increases in the minimum wage, \$4.2 million is to be made available to support a general COLA, in addition to the statutory COLA, for all General Fund direct services contractors. This COLA will be distributed on a pro-rata basis to current contractors. The remaining \$1.8 million will be allocated to providers whose reimbursement rate is below the Standard Reimbursement Rate, provided that those

who request increases can document that their increased costs are a direct result of increases in the minimum wage. In March 1998 the Education Finance Division initiated a 1998-99 Minimum Wage Rate Increase Application process to determine which agencies are eligible for a rate increase. As a result of this process, \$25,782 was distributed to specific contractors; the balance of \$5.9 million will be distributed as a general COLA.

**Staff Contact:** Jim Stefani, Education Finance Division; telephone (916) 324-4552

## Child Care and Development—State Preschool

General Programs—Expansion (excluding CalWORKs expansion)

Budget Act Item 6110-196-0001

*Education Code*, Chapter 2, Section 8200 et seq.

### 1998-99 Budget Provisions

- A \$15.7 million increase (11.5 percent) provides half-year funding for expansion of the state preschool program to serve four-year-olds whose family income is below the federal poverty level. Provision of this service for all four-year-olds whose family income meets this criterion is intended by the year 2000.
- A \$10 million increase (3.2 percent) provides half-year funding for the expansion of child care and development services to infants and toddlers.
- A \$4 million increase (37.7 percent) is provided for resource and referral services.
- \$5 million is provided to establish a pilot Migrant Alternative Payment Network Program for Central Valley Counties.

### Education Finance Division Comments

**Preschool Program Expansion.** An augmentation of \$15.7 million has been provided for half-year expansion of the state preschool program. These funds will be distributed through a

Request for Application process that will begin in the fall of 1998, with funding available by January 1, 1998. Requests for Applications for expansion funds are widely distributed by the Child Development Division (CDD); however, interested parties may contact the CDD at (916) 322-6233 to be placed on a waiting list to receive funds.

**Infant and Toddler Expansion.** The Budget Act appropriates \$10 million for half-year expansion of general center-based child care programs to provide services to infants and toddlers. These funds will be distributed through a Request for Application process that will begin in the fall of 1998, with funding available by January 1, 1999.

**Resource and Referral Expansion.** The budget provides \$4 million to increase funds to the Resource and Referral program. This augmentation will be distributed to current Resource and Referral contractors on the basis of a formula. This formula will be developed by CDE, and amended contracts were sent to existing Resource and Referral agencies in late September.

**Migrant Alternative Payment (AP) Network.** The Budget Act appropriates \$5 million to establish a pilot Migrant Alternative Payment Network Program for Central Valley Counties. This program is to be centrally located with a network of at least five satellites, each having the ability to cross county boundaries to follow migrating families within the Central Valley. CDE is required to submit a proposal to the Department of Finance to establish the scope of the pilot program in time to secure concurrence by February 1, 1999.

**Staff Contacts:** Jim Stefani, Education Finance Division; telephone (916) 324-4552  
Mike Silver, Child Development Division;  
telephone (916) 322-6233



## Child Care and Development Welfare Reform (CalWORKs)—Expansion

Budget Act Items 6110-196-0001 and 6110-196-0890

*Education Code*, Chapter 2, Section 8200 et seq.

### **1998-99 Budget Provisions**

- \$84.5 million was allocated in General Fund expansion for Alternative Payment programs to provide expansion for stages 2 and 3.
- \$143 million in federal fund expansion for Alternative Payment programs provides expansion for Stage 2.
- Stage 2—Of the \$84.5 million in General Fund expansion, \$34.5 has been provided for alternative payment programs serving eligible Stage 2 families. The authority to spend \$143 million in federal funds has been provided for expansion of alternative payment programs serving eligible Stage 2 families.
- Stage 3—Of the \$84.5 million in General Fund expansion, \$50 million has been provided for expansion of alternative payment programs serving eligible Stage 3 families.

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### **Education Finance Division Comments**

California's welfare reform program, CalWORKs, addresses child care for recipients of Temporary Assistance for Needy Families (TANF) in three stages. Stage 1 is administered by the California Department of Social Services. CDE administers stages 2 and 3 through the Child Care and Development Alternative Payment program. Stage 2 begins when the county determines that a recipient's approved work activity is stable or when the recipient who needs child care is making a transition off of aid and a funded space for child care is available through the CDE Alternative Payment program. Stage 3 begins when a funded space for child care is available for former TANF recipients through the CDE Alternative Payment program.

Expansion funds made available in the Budget Act will be allocated to counties by CDE on the basis of an estimate of the needs in each county. Counties with more than one Alternative Payment program will, along with the local county welfare department, jointly decide on the amount of funds to be distributed to each Alternative Payment program in that county. It is expected that these funds will be contracted to CDE's Alternative Payment programs in October 1998.

**Staff Contacts:** Jim Stefani, Education Finance Division; telephone (916) 324-4552  
Janet Poole, Child Development Division; telephone (916) 322-6233

## Instructional Materials, K–12

Budget Act Items 6110-185-0001 and 6110-186-0001

*Education Code* sections 60240 through 60313

### **1998-99 Budget Provisions**

- \$172.1 million is provided for the State Instructional Materials Fund (a 4.09 percent increase). Of this total the K–8 portion is \$133 million, of which \$10.7 million is reserved for Supplemental Grant Allocations; and the 9–12 portion is \$39 million, of which \$8.1 million is for Supplemental Grant Allocations.
- The K–8 funding rate will increase to \$29.79 per K–8, 1997-98 Second Period Report of Attendance; the 9–12 funding rate will increase to \$19.16 per 9–12, 1997-98 CBEDS enrollment.

### **Education Finance Division Comments**

The K–8 and 9–12 Instructional Materials funds were apportioned in September 1998. These apportionments, one for each grade-level grouping, will be made in a single lump sum payment and will include funding for Growth and COLA.

**Staff Contacts:** Ging Tucker, Education Finance Division;  
telephone (916) 324-4536  
Cathy Barkett, Curriculum Frameworks and  
Instructional Resources; telephone 657-3711

## K-3 Class-Size Reduction, Operations

Budget Act Item 6110-234-0001

Senate Bill 1564, Chapter 330/98

*Education Code* sections 52120 through 52128.5

### **1998-99 Budget Provisions**

- \$1.5 billion is provided from the General Fund (a 4 percent increase).
- The funding rate increased by 3.95 percent to \$832 per actual 1998-99 enrollment in classes reduced to 20 or fewer students per teacher for the full day (Option 1).
- The funding rate increased by 3.95 percent to \$416 per actual 1998-99 enrollment in classes reduced to 20 or fewer students per teacher for one-half of the instructional minutes offered each day (Option 2).
- Funding is provided for implementation of class-size reduction in all four levels, kindergarten through grade three.
- Self-contained classroom or square footage is required equal to the 1995-96 amount provided at that grade level, at that site.
- An audit of average daily enrollment is required, with loss of funding if the average class size is greater than 20.44.
- Provisions that no longer apply are eliminated: (1) delayed implementation of the program; (2) deadlines for hiring teachers and beginning staff development training; and (3) reduced-funding levels.
- The funding for facilities "loan" at \$40,000 per teaching station is continued, using the 1997-98 methodology and formulae.

### ***Education Finance Division Comments***

Operations application and information packages for 1998-99 were mailed in September. The due date for return of operations applications to CDE is November 19, 1998 (postmark).

If legislation is enacted to reduce the cost-of-living allowance for this and certain non mega-item categorical programs, the per pupil rates cited previously will be reduced to \$817 for Option 1 and \$409 for Option 2.

**Staff Contacts:** Keric Ashley, School Facilities and Planning;  
telephone (916) 323-0575  
Richard Zeiszler, Education Finance Division;  
telephone (916) 324-4533

## Deferred Maintenance

Budget Act Item 6110-181-0001

Senate Bill 1564, Chapter 330/98, Section 41

### ***1998-99 Budget Provisions***

- \$115 million, a 15 percent increase from 1997-98, is provided for funding applications received by the Office of Public School Construction, California Department of General Services, pursuant to requirements in *Education Code* sections 39619 through 39619.55 (i.e., the ongoing base funding for deferred maintenance programs).
- \$20 million is provided for the State Allocation Board to distribute to school districts with high priority, critical needs projects. As defined by the Board, these are projects that school districts were unable to complete with funds provided pursuant to *Education Code* Section 36619, including but not limited to, removal of underground storage tanks, roof maintenance and replacement, and projects required to ensure the health and safety of pupils. A school district will be eligible to receive an allocation from this appropriation if it has applied for and received all funds for which it is

eligible under *Education Code* Section 39619. A school district may not use funds allocated from the \$20 million to meet its required local match.

***Education Finance Division Comments***

Excess bond payments are anticipated to total approximately \$23.7 million. Excluding the \$20 million for high priority, critical need projects, the 1998 Budget Act appropriation together with the excess bond payments is estimated to fund between 88 and 96 percent of the state's maximum deferred maintenance match. The state match is calculated by multiplying statewide average expenditures per pupil by the district's ADA and multiplying the product by .005.

***Staff Contacts:*** Rich Zeiszler, Education Finance Division,  
California Department of Education; telephone  
(916) 324-4533  
Keith Collier, Office of Public School Construc-  
tion, California Department of General Services;  
telephone (916) 323-3443

## *Special Education Programs*

Assembly Bill 602 (Chapter 854/97), known as the Poochigian and Davis Special Education Reform Act, was enacted on October 10, 1997. Assembly Bill 598 (Chapter 89/98), the cleanup bill to AB 602, was passed the following year in August 1998. These two bills have drastically altered the method of funding Special Education, a program that has been largely unchanged during the past 17 years.

The AB 602 model was designed to provide flexibility in both special education funding and program delivery. Among other changes, AB 602 deletes Instructional Program Service Units (IPSUs) as the basis on which state aid is apportioned to local education agencies (LEAs) and replaces the IPSUs with average daily attendance (ADA). Commencing in 1998-99, newly established ADA rates will determine local Special Education entitlements. The basis for this new funding model is the assumption that the incidence of disabilities is uniformly distributed across all geographic areas; therefore, the LEA's total pupil count, instead of the special education pupil count, is the measure of the need for Special Education support. The model, however, also provides for funding adjustments to compensate for concentrations of individuals with low-incidence disabilities, as quantified through empirical studies.

Continuing the policy in the Master Plan for Special Education, the new model also requires an assessment of the student's needs before special education services are provided. In addition, to an even greater extent than under the previous model, the new model takes advantage of economies of scale by coordinating and delivering special education services on a regional basis through the Special Education Local Plan Area (SELPA), a single district or a consortium of districts.

## Ages 3–21 Special Education Funding

Budget Act Items 6110-161-0001 and 6110-187-0001

*Education Code* sections 56000 and 42238.1

### 1998-99 Budget Provisions

- \$2.1 billion is provided from the General Fund for Special Education Programs for Individuals with Exceptional Needs (an 8.3 percent increase). The major programs are detailed as follows:
  - \$1.7 billion is for special education instruction for students ages three to twenty-one.
  - \$39.5 million is for 1998-99 growth in programs serving students ages three to twenty-one.
  - \$98 million is for Nonpublic School/Licensed Children's Institutions (NPS/LCI).
  - \$1 million is for Nonpublic School (NPS) Extraordinary Costs.
  - \$70.7 million is for Program Specialist/Regionalized Services.
  - \$55.3 million is provided to fund a COLA for programs serving students ages three to twenty-one.

### Education Finance Division Comments

In 1998-99, funding for Special Education may be apportioned either to the SELPA Administration Unit (AU) or to the local education agency (LEA). Entitlements will be established by the SELPA's base funding rate (as determined by prior-year expenditures) multiplied by the K–12 average daily attendance (ADA) for each school district and county office of education in the SELPA. Funding will be adjusted for changes in enrollment, incidence of special disabilities, and equalization aid. The entitlement will be certified to the Controller at the First Principal Apportionment (P-1) by February 20, 1999.

**Growth.** The Special Education growth calculation is based on the difference between the prior-year ADA and the current-year

ADA. The new model also provides for a one-year grace period for the impact of declining enrollment on funding levels.

**Nonpublic School/Licensed Children's Institution.** Nonpublic School Licensed Children's Institution (NPS/LCI) funding is capped at \$97,953,000 for 1998-99. In November 1998 the Education Finance Division (EFD) will mail data collection software to LEAs to claim NPS/LCI funding.

**Nonpublic School Extraordinary Cost Pool.** One million dollars has been set aside to defray the extraordinarily high costs associated with single nonpublic school placements. A nonpublic school is eligible for this funding if a single nonpublic school contract is 2.5 times greater than the statewide average nonpublic school contract amount plus COLA. The EFD will establish this statewide average contract cost by dividing the 1997-98 statewide dollar amount of nonpublic school placement contracts plus COLA by the ADA associated with those contracts. The threshold amount will appear on the EFD's Internet web site in November 1998. Claims for this reimbursement must be submitted by November 30, 1999, after the close of the 1998-99 fiscal year. If the total amount of eligible claims to the Extraordinary Cost Pool exceeds the \$1 million appropriation, SELPA funding will be prorated accordingly.

**Program Specialist/Regionalized Services.** Program Specialist/Regionalized Services (PS/RS) entitlements will be paid through the First Principal Apportionment in February 1999. SELPAs will receive the greater of their 1997-98 PS/RS apportionment, plus the 1998-99 COLA, or the 1998-99 PS/RS rate multiplied by their total K-12 ADA. Of the \$70.6 million, \$2 million is allocated for necessary small schools. If a SELPA has 15,000 or less total ADA, it qualifies as a necessary small school. The calculation for PS/RS for schools falling in that category will use 15,000 as the ADA number to multiply times the 1998-99 PS/RS rate.

**Cost-of-Living Adjustment.** The cost-of-living adjustment (COLA) will be allocated on the basis of a fixed dollar amount.



Because the Budget Act provisions did not supersede statutory requirements that the special education COLA be equal to that provided to the K–12 revenue limits, LEAs will have their ADA rates increased by an amount equal to 3.95 percent of the state-wide target. A deficit factor will then be applied to the resulting rates, in order to ensure that entitlements do not exceed the funding—sufficient to support a 2.18 percent COLA—provided in the budget.

**Staff Contact:** Judy Johnson, Education Finance Division; telephone (916) 323-5185

## Equalization and Special Disabilities Adjustment

Budget Act Item 6110-161-0001

Assembly Bill 598, Chapter 89/98

*Education Code* sections 56836.12 through 56836.14 and 56836.155

### **1998-99 Budget Provisions**

- \$50.8 million is provided from the General Fund to equalize special education unit rates.
- \$15.8 million is provided to fund the Special Disabilities Adjustment.

### **Education Finance Division Comments**

The 1998 Budget Act provides \$50.8 million in additional state aid to equalize funding rates among districts and county offices of education for 1998-99. An additional \$15.8 million is available to increase the funding for SELPAs with special education costs that are above average on a per-pupil basis. Senate Bill 1564 (Chapter 330/98), the 1998-99 omnibus education trailer bill, requires the development of a special disabilities incidence factor. Pursuant to this requirement, the California Department of Education, in conjunction with the Legislative Analyst's Office, will calculate an "incidence multiplier" for each SELPA by November 2, 1998. This "incidence multiplier" will be developed in accordance with the definition, methodology, and data

provided in the final report submitted by the American Institutes for Research, as required in Chapter 854/97. Validation of this multiplier and supporting data is to be completed by the Department of Finance by November 23, 1998, and if approved, will be effective through the 2002-03 fiscal year.

**Staff Contact:** Judy Johnson, Education Finance Division;  
telephone (916) 323-5185

## Low-Incidence Funding

Budget Act Item 6110-161-0001

*Education Code* sections 56026.5 and 56771

### **1998-99 Budget Provisions**

- \$8.9 million is provided from the General Fund (a 3.5 percent increase) for specialized books, materials, and equipment for pupils with a severe disabling condition (the incidence rate is less than 1 percent of the total statewide K-12 enrollment).

### **Education Finance Division Comments**

The appropriation is based on the December prior-year low-incidence pupil count of 28,303 students. This figure yields a 1998-99 funding rate of \$317.07 per pupil.

**Staff Contact:** Judy Johnson, Education Finance Division; telephone (916) 323-5185

## Vocational Training and Job Placement

Budget Act Item 6110-161-0001

*Education Code* sections 56470 through 56474

### **1998-99 Budget Provisions**

- \$6.7 million is provided from the General Fund for Vocational Training and Job Placement (WorkAbility I and Transition Services).

**Education Finance Division Comments**

This program currently funds 35,000 students in 199 sites. Funds are allocated to WorkAbility I sites through formula-driven grants that coordinate student access to vocational education and transition services. The competitively awarded grants are used to fund the excess cost of the program, complementing other mandated programs, such as the vocational education Job Training Partnership Act. Allocations are determined by the number of secondary school special education students placed in paid employment positions, an equal base amount per program, and an additional \$50 for each student with a severe disability. For 1998-99 the increase in federal funds will finance the construction of several new sites, the expansion of existing sites, and the establishment of a middle school pilot program.

*Staff Contact:* Robert Snowden, Special Education Division;  
telephone (916) 327-4221

**Ages 0–2 Special Education Infant Funding**

Budget Act Items 6110-161-0001 and 6110-187-0001

Senate Bill 1564, Chapter 330/98, sections 12 and 13

*Education Code* sections 56425 through 56432

**1998-99 Budget Provisions**

- \$43.7 million is provided for Infant Programs for children from birth through two years of age.
  - \$41.5 million is for Instructional Personnel Service Units (IPSUs) for infants from birth through two years of age.
  - \$957,600 is for 1998-99 growth in programs serving infants from birth through two years of age.
  - \$1.2 million is provided to fund a COLA for infant programs.

**Education Finance Division Comments**

The Infant Programs for children from birth through two years of age will continue to use instructional unit rates as their base

for entitlements. The Infant J-50 reporting software will be mailed to LEAs in November 1998 and is due back to CDE by early January 1999. Entitlements for current-year operations will be certified at the First Principal Apportionment (P-1) by February 20, 1999.

**Growth.** State funding for growth in programs serving infants in 1998-99 is 46 percent of the reported demand. (An additional 10.03 Infant IPSUs are funded through this appropriation.)

**Small or Sparse SELPAs.** Small or sparse SELPAs (*Education Code* Section 56432(g)) will continue to be eligible for infant growth units. Small or sparse SELPAs that have been notified that they have infant units for 1999-2000 identified for recapture must file a waiver with the Special Education Program Division by October 1998. A SELPA may apply for a waiver if any of the standards or criteria for growth would prevent it from receiving a unit and as a result either would prevent the SELPA from complying with the federal mandate of providing a free and appropriate education or would create a hardship for the SELPA.

**Cost-of-Living Adjustment.** The cost-of-living adjustment (COLA) for Special Education Programs for individuals with exceptional needs will continue to be allocated on a fixed dollar amount basis. This change, which was initiated in 1996-97, has continued for the past two years. Because the Budget Act provision for infant COLA did not supersede statutory requirements, LEAs will have their infant rates increased by an amount equal to 3.95 percent of the statewide target. A deficit factor will then be incorporated into the formula used to calculate their entitlements in order to ensure that the 2.18 percent COLA provided in the budget is not exceeded.

**Staff Contact:** Judy Johnson, Education Finance Division; telephone (916) 323-5185

# Appendix 1

## Calendar of Key Deadlines 1998-99 Apportionments\*

### I. February Apportionment Due Dates

#### A. Annual (A) Apportionment Documents for Fiscal Year 1998-99

##### 1. Attendance Reports ("J" Forms)

Districts/County Offices of Education

(J-18/19, J-18/19B, J-18/19CH,

J-18/19S, J-18/19C, J-22,

J-22 Supplement [GATE], J-27/28)..... July 15, 1998

##### 2. Tax Reports

a. Districts, Form J-29B ..... August 15, 1998

b. County Offices of Education,

Form J-29C ..... August 15, 1998

c. Miscellaneous Funds, Form J-29.1 ..... August 15, 1998

##### 3. Revenue Limits

a. Districts, Form K-12(A) ..... October 15, 1998

b. County Offices of Education,

Form O(A) ..... October 15, 1998

##### 4. Special Education Master Plan,

1995-96 Annual J-50 ..... October 30, 1998

#### B. First Principal (P-1) Apportionment Documents, 1998-99

##### 1. Tax Reports

a. Districts, Form J-29B ..... November 15, 1998

b. County Offices of Education,

Form J-29C ..... November 15, 1998

##### 2. Revenue Limits

a. Districts, Form K-12(P-1)..... Do Not Submit

b. County Offices of Education,

Form O(P-1) ..... November 15, 1998

\* Note: This calendar was mailed to local education agencies under separate cover on July 1, 1998.

3. Special Education
  - a. NPS/LCI Data ..... December 18, 1998
  - b. Infant J-50 Data ..... December 18, 1998
4. Attendance Reports ("J" Forms)
 

Districts/County Offices of Education  
(J-18/19, J-18/19B, J-18/19CH, J-18/19C,  
J-18/19S, J-20, J-22, J-22 Supplement  
[GATE], J-27/28) ..... January 15, 1998
- C. Corrections to be applied at P-1, 1998-99, Due Dates
 

Corrections from all prior years  
for Attendance Forms Revenue Limits,  
Special Education Master Plan, ROC/P  
Handicapped Pupils, Adult Education,  
ROC/P, GATE, and Tax Forms ..... October 15, 1998

## II. June Apportionment Due Dates

- A. Second Principal (P-2) Apportionment Documents for Fiscal Year 1998-99
  1. Special Education
    - a. NPS/LCI Data ..... April 19, 1999
    - b. Infant J-50 Data ..... April 19, 1999
  2. Revenue Limits
    - a. Districts, Form K-12(P-2) ..... April 19, 1999
    - b. County Offices of Education,  
Form O(P-2) ..... April 19, 1999
  3. Tax Reports
    - a. Districts, Form J-29B ..... April 15, 1999
    - b. County Offices of Education,  
Form J-29C ..... April 15, 1999
  4. Attendance Reports ("J" Forms)
 

Districts/County Offices of Education

- (J-7, J-18/19, J-18/19B, J-18/19CH,  
J-18/19C, J-18/19S, J-22,  
J-22 Supplement [GATE], J-27/28) ..... May 1, 1999
- B. Corrections to be applied at P-2, 1998-99  
Corrections for Fiscal Year 1997-98 not  
received by October 15, 1998 ..... March 16, 1999

### III. Special Purpose Apportionment, 1998-99 Due Dates

#### Pupil Transportation Reports

1. Annual Report of Pupil Transportation  
Expense, Form J-141 ..... November 3, 1998
2. Annual Report of SH/OH  
Transportation Expense, Form J-141-S ..... November 3, 1998
3. Annual Report of ROC/P Transportation,  
Form J-141-ROC/P ..... November 3, 1998
4. Report of School Buses, Form J-143 ..... November 3, 1998
5. Transfer of Transportation Services,  
Form J-141-T ..... November 3, 1998
6. Worksheet for Pupil Transportation  
Data Distribution, Form J-141-CW-2 ..... November 3, 1998
7. Informational Upload from Providers,  
Form J-141-CW-2 ..... November 3, 1998

### IV. Instructional Materials Reports

Direct Order: Statement of Written Assurance  
per *Education Code* section 60242.5 of  
conformance to law and applicable rules and  
regulations regarding Instructional Materials

purchase with funds from Instructional  
Materials Funds ..... June 30, 1998

Assurance for Pupil Textbooks and Instructional  
Materials Incentive Program and/or Instructional  
Materials from any state source: Statement of  
Written Assurance conforming to requirements  
of *Education Code* Section 60119(c) in order  
to receive funding under *Education Code* Section  
60252 and/or *Education Code* sections 60242  
and 60247 ..... July 15, 1998

## V. *Miscellaneous Report Due Dates*

- A. Miller-Unruh Certification, Form J-10A ..... September 15, 1998
- B. Mentor Teacher Financial Report ..... September 15, 1998
- C. Annual Survey of Children in Local  
Institutions for Neglected and Delinquent  
Children, ESEA, Title 1 ..... December 18, 1998
- D. School ADA Report (SIP) ..... January 15, 1999
- E. School Level AFDC Survey Report ..... February 19, 1999
- F. County AFDC Report  
(Distribution of AFDC Children by  
School District) ..... February 19, 1999

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If you have any questions regarding this schedule, please contact  
Sue Haseltine at (916) 324-4551.

Submit the listed reports to: .....  
California Department of Education  
Education Finance Division  
P. O. Box 944272  
Sacramento, CA 94244-2720



## Appendix 2

### 1998-99 Mega-Item Program Allocations, Including COLA and Growth

| Program                           | 1998-99<br>Supplemental<br>Grant | 1998-99 Base<br>Mega-Item Exc.<br>Supl. Grant | 1998-99 Total<br>Base Mega-Item<br>Incl. Supl. Grant | 1998-99<br>Budget Act<br>Augmentations | 1998-99<br>Funds<br>Available |
|-----------------------------------|----------------------------------|---|--|--|-------------------------------|
| Administrator Training            | 0                                | \$4,502,711                                   | \$4,502,711  |  | \$4,502,711                   |
| Agricultural Voc. Ed.             | \$239,751                        | 3,691,192                                     | 3,930,943  |  | 3,930,943                     |
| American Indian Educ. Centers     | 0                                | 3,035,415                                     | 3,035,415  |  | 3,035,415                     |
| Beginning Teacher                 | 327,662                          | 18,308,988                                    | 18,636,650   | \$49,100,000                           | 67,736,650                    |
| Bilingual                         | 0                                | 1,533,655                                     | 1,533,655  |  | 1,533,655                     |
| Bus Replacement                   | 0                                | 3,881,475                                     | 3,881,475  |  | 3,881,475                     |
| Child Nutrition                   | 2,492,656                        | 61,229,219                                    | 63,721,875   |  | 63,721,875                    |
| Class-Size Reduction              | 0                                | 35,389,698                                    | 35,389,698   |  | 35,389,698                    |
| Court-Ordered Desegregation       | 0                                | 490,693,710                                   | 490,693,710  | 14,000                                 | 490,707,710                   |
| Demo Progs. in Reading/Math       | 533,975                          | 5,373,360                                     | 5,907,335  |  | 5,907,335                     |
| Dropout Prevention                | 5,124,960                        | 13,800,536                                    | 18,925,496   |  | 18,925,496                    |
| Economic Impact Aid               | 17,943,537                       | 382,955,804                                   | 400,899,341  |  | 400,899,341                   |
| Educational Technology            | 33,643,798                       | 21,732,634                                    | 55,376,432   |  | 55,376,432                    |
| EISS                              | 0                                | 1,849,098                                     | 1,849,098  |  | 1,849,098                     |
| Environmental Education           | 506,639                          | 0   | 506,639  |  | 506,639                       |
| Foster Youth Program              | 0                                | 1,544,418                                     | 1,544,418  | 3,000,000                              | 4,544,418                     |
| Gifted and Talented               | 7,340,125                        | 48,196,780                                    | 55,536,905   |  | 55,536,905                    |
| Institute for Computer Tech       | 0                                | 489,125                                       | 489,125  |  | 489,125                       |
| Intersegmental Programs           | 0                                | 1,725,802                                     | 1,725,802  |  | 1,725,802                     |
| Mentor Teacher                    | 164,992                          | 80,404,281                                    | 80,569,273   |  | 80,569,273                    |
| Miller-Unruh Reading              | 6,222,997                        | 25,582,704                                    | 31,805,701   |  | 31,805,701                    |
| Native American Indian Educ.      | 0                                | 468,112                                       | 468,112  |  | 468,112                       |
| Opportunity Programs              | 5,953,161                        | 2,118,759                                     | 8,071,920  |  | 8,071,920                     |
| Pupil Transportation              | 78,094,080                       | 440,996,990                                   | 519,091,070  | 2,000,000                              | 521,091,070                   |
| Reader Svcs. for Blind            | 5,669                            | 287,170                                       | 292,839  |  | 292,839                       |
| School-Based Management           | 974,704                          | 0   | 974,704  |  | 974,704                       |
| School Dev. Plans & Res. Cons.    | 0                                | 19,060,661                                    | 19,060,661   |  | 19,060,661                    |
| School Improvement, K-6           | 19,420,175                       | 314,018,774                                   | 333,438,949  |  | 333,438,949                   |
| School Improvement, 7-12          | 0                                | 60,985,241                                    | 60,985,241   |  | 60,985,241                    |
| Specialized Secondary             | 46,773                           | 4,335,577                                     | 4,382,350  |  | 4,382,350                     |
| Student Voc. Ed. Orgs. (Prop. 98) | 107,353                          | 435   | 107,788  |  | 107,788                       |
| Teacher Dismissal Apport.         | 0                                | 33,853  | 33,853   |  | 33,853                        |
| Tenth-Grade Counseling            | 5,113,614                        | 9,473,131                                     | 14,586,745   |  | 14,586,745                    |
| Voluntary Desegregation           | 0                                | 122,697,390                                   | 122,697,390  | 19,314,000                             | 142,011,390                   |
| Year-Round School                 | 0                                | 68,737,680                                    | 68,737,680   | 3,000,000                              | 71,737,680                    |
| <b>TOTAL</b>                      | <b>\$184,256,621</b>             | <b>\$2,249,134,378</b>                        | <b>\$2,433,390,999</b>                               | <b>\$76,428,000</b>                    | <b>\$2,509,818,999</b>        |

Deleted Programs:

IMF, K-8 and 9-12

Partnership Academies

## Appendix 3

### 1998-99 Non Mega-Item Appropriations

| Program   | COLA<br>(Item 187-0001) | Supplemental<br>Grant | 1998-99<br>Budget<br>Act | 1998-99<br>Total<br>Funding |
|---|-------------------------|-----------------------|--------------------------|-----------------------------|
| Adult Education                                     | \$10,620,000            |                       | \$478,428,000            | \$489,048,000               |
| Adult Education for CalWorks (one time)             |                         |                       | 12,500,000               | 12,500,000                  |
| Adult Education for CalWorks                        |                         |                       | 12,500,000               | 12,500,000                  |
| Adult Education (FF)                                |                         |                       | 39,869,000               | 39,869,000                  |
| Adults in Correctional Facilities                   |                         |                       | 15,557,000               | 15,557,000                  |
| Advancement via Individual Determination            |                         |                       | 1,000,000                | 1,000,000                   |
| Apprentice Program                                  |                         |                       | 8,256,000                | 8,256,000                   |
| Byrd Scholarship Program (FF)                       |                         |                       | 4,643,000                | 4,643,000                   |
| California Civil Liberties Public Education Program |                         |                       | 1,000,000                | 1,000,000                   |
| California School Information Services Program      |                         |                       | 3,000,000                | 3,000,000                   |
| Character Education (FF)                            |                         |                       | 175,000                  | 175,000                     |
| Charter Schools (FF)                                |                         |                       | 3,365,000                | 3,365,000                   |
| Child Care Facilities                               |                         |                       | 0                        | 0                           |
| Child Development                                   |                         |                       | 793,638,000              | 793,638,000                 |
| Child Development (FF)                              |                         |                       | 455,252,000              | 455,252,000                 |
| Child Nutrition                                     |                         |                       | 1,000,000                | 1,000,000                   |
| Child Nutrition (FF)                                |                         |                       | 1,215,106,000            | 1,215,106,000               |
| Child Nutrition (Non-98)                            |                         |                       | 10,882,000               | 10,882,000                  |
| Class-Size Reduction, Grade Nine                    |                         |                       | 44,450,000               | 44,450,000                  |
| Class-Size Reduction                                |                         |                       | 1,545,530,000            | 1,545,530,000               |
| Community Day Schools                               | 436,000                 |                       | 20,000,000               | 20,436,000                  |
| County Fiscal Oversight                             |                         |                       | 3,630,000                | 3,630,000                   |
| Deferred Maintenance                                |                         |                       | 135,000,000              | 135,000,000                 |
| Digital High School Program                         |                         |                       | 50,000,000               | 50,000,000                  |
| Drug Free Schools (FF)                              |                         |                       | 45,494,000               | 45,494,000                  |
| Emergency Immigrant Education (FF)                  |                         |                       | 39,174,000               | 39,174,000                  |
| Environmental Education                             |                         |                       | 800,000                  | 800,000                     |
| Gang Risk Intervention                              |                         |                       | 3,000,000                | 3,000,000                   |
| Goals 2000  |                         |                       | 57,691,000               | 57,691,000                  |
| Healthy Start                                       |                         |                       | 49,000,000               | 49,000,000                  |
| High-Risk Youth                                     |                         |                       | 600,000                  | 600,000                     |
| High-Risk Youth & Public Safety                     |                         |                       | 20,000,000               | 20,000,000                  |
| Indian Education Centers (Non-98)                   |                         |                       | 376,000                  | 376,000                     |
| Instructional Materials, Grades 9-12                |                         | 8,101,206             | 30,899,794               | 39,001,000                  |
| Instructional Materials, Grades K-8                 |                         | 10,703,393            | 122,395,607              | 133,099,000                 |
| Instructional Materials for Mathematics             |                         |                       | 250,000,000              | 250,000,000                 |
| Intergenerational Prog. (Non-98)                    |                         |                       | 171,000                  | 171,000                     |

| Program  | COLA<br>(Item 187-0001) | Supplemental<br>Grant | 1998-99                 | 1998-99                 |
|--|-------------------------|-----------------------|-------------------------|-------------------------|
|  |                         |                       | Budget<br>Act           | Total<br>Funding        |
| Latino Museum of Art, History & Culture        |                         |                       | 750,000                 | 750,000                 |
| Learn and Serve America Program (FF)           |                         |                       | 2,131,000               | 2,131,000               |
| Library Protection                             |                         |                       | 661,000                 | 661,000                 |
| Local Arts Education Partnership Grant Program |                         |                       | 3,000,000               | 3,000,000               |
| Lottery  |                         |                       | 754,986,000             | 754,986,000             |
| Partnership Academies                          |                         | 239,369               | 13,724,631              | 13,964,000              |
| Pupil Assessment                               |                         |                       | 55,969,000              | 55,969,000              |
| Pupil Residency Verification                   |                         |                       | 157,000                 | 157,000                 |
| ROC/Ps   | 6,600,000               |                       | 302,769,000             | 309,369,000             |
| School Library Materials                       |                         |                       | 158,500,000             | 158,500,000             |
| School/Law Enforcement                         |                         | 21,916,968            | 4,481,000               | 26,397,968              |
| Special Education                              | 56,536,000              |                       | 2,055,384,000           | 2,111,920,000           |
| Special Education (FF)                         |                         |                       | 398,801,000             | 398,801,000             |
| Staff Development                              |                         |                       |                         |                         |
| Administrator Training                         |                         |                       | 1,593,000               | 1,593,000               |
| Exploratorium                                  |                         |                       | 1,503,000               | 1,503,000               |
| Geographical Educ.                             |                         |                       | 105,000                 | 105,000                 |
| Staff Development Day Buyout                   |                         |                       | 195,000,000             | 195,000,000             |
| Student Voc. Ed. Organizations                 |                         |                       | 562,000                 | 562,000                 |
| Summer School                                  |                         |                       |                         |                         |
| Remedial Summer School                         | 1,424,000               |                       | 65,315,000              | 66,739,000              |
| Core Academic Summer School                    | 2,592,000               |                       | 111,478,000             | 114,070,000             |
| Technology Literacy Challenge Grant            |                         |                       | 45,204,000              | 45,204,000              |
| Title I (Chapter 1) Migrant (FF)               |                         |                       | 107,448,000             | 107,448,000             |
| Title I (Chapter 1) ESEA (FF)                  |                         |                       | 844,669,000             | 844,669,000             |
| Title II ESEA (Professional Development)       |                         |                       | 31,873,000              | 31,873,000              |
| Title VI (Chapter 2) ESEA (FF)                 |                         |                       | 35,461,000              | 35,461,000              |
| Tobacco Use Prevention                         |                         |                       | 32,353,000              | 32,353,000              |
| Vocational Education - JTPA                    |                         |                       | 7,022,000               | 7,022,000               |
| Vocational Education (FF)                      |                         |                       | 119,613,000             | 119,613,000             |
| <b>TOTAL</b>                                   | <b>\$78,208,000</b>     | <b>\$40,960,936</b>   | <b>\$10,824,895,032</b> | <b>\$10,944,063,968</b> |

## Appendix 4

### Court-Ordered Desegregation Programs

#### Court-Ordered Desegregation Funding for 1998-99

| District Name                    | Amount               |
|----------------------------------|----------------------|
| Bakersfield Unified SD           | \$5,139,000          |
| Las Lomas Elementary SD          | 14,000               |
| Los Angeles Unified SD           | 361,788,000          |
| Menlo Park City Elementary SD    | 1,000                |
| Palo Alto Unified SD             | 446,000              |
| Ravenwood City Elementary SD     | 62,000               |
| Redwood City Unified SD          | 40,000               |
| San Bernardino Unified SD        | 11,519,000           |
| San Diego Unified SD             | 45,782,000           |
| San Francisco Unified SD         | 33,266,000           |
| San Jose Unified SD              | 26,777,000           |
| San Mateo County Superintendent  | 68,000               |
| Santa Clara County Office of Ed. | 12,000               |
| Sequoia Union High SD            | 342,000              |
| Stockton Unified SD              | 4,961,000            |
| Payment for Audit Cost Claims    | 490,000              |
| <b>TOTAL</b>                     | <b>\$490,707,000</b> |

#### Court-Ordered Desegregation Deficiency Funding

| District Name                | Amount             |
|------------------------------|--------------------|
| Los Angeles Unified SD       | \$1,355,992        |
| Ravenwood City Elementary SD | 383                |
| Redwood City Unified SD      | 186                |
| San Bernardino Unified SD    | 63,542             |
| San Diego Unified SD         | 502,019            |
| San Francisco Unified SD     | 728,981            |
| Sequoia Union High SD        | 1,726              |
| <b>TOTAL</b>                 | <b>\$2,652,829</b> |

## Appendix 5

### Voluntary Desegregation Funding for 1998-99

| District Name                       | Amount     |
|-------------------------------------|------------|
| ABC Unified SD                      | \$13,000   |
| Allensworth/Richgrove Collaboration | 1,339,000  |
| Bakersfield City Elementary SD      | 650,000    |
| Banning Unified SD                  | 20,000     |
| Berkeley City Unified SD            | 4,078,000  |
| Brawley Elementary SD               | 89,000     |
| Carlsbad Unified SD                 | 657,000    |
| Chula Vista City Unified SD         | 294,000    |
| Claremont Unified SD                | 214,000    |
| Compton Unified SD                  | 4,377,000  |
| Duarte Unified SD                   | 22,000     |
| East Side Union High SD             | 85,000     |
| El Centro Elementary SD             | 400,000    |
| Fresno Unified SD                   | 3,771,000  |
| Fullerton Elementary SD             | 128,000    |
| Gilroy Unified SD                   | 923,000    |
| Grant Union High SD                 | 12,390,000 |
| Hanford Unified SD                  | 16,000     |
| Kerman Unified SD                   | 10,000     |
| La Habra City Elementary SD         | 12,000     |
| Lompoc Unified SD                   | 3,000      |
| Long Beach Unified SD               | 6,333,000  |
| Los Angeles Unified SD              | 40,452,000 |
| Lynwood Unified SD                  | 4,392,000  |
| Merced City Elementary SD           | 97,000     |
| Monrovia Unified SD                 | 210,000    |
| Monterey Peninsula Unified SD       | 161,000    |
| Mountain View-Los Altos High SD     | 73,000     |
| North Monterey County Unified SD    | 395,000    |
| Norwalk-La Mirada City Unified SD   | 1,785,000  |
| Oakland Unified SD                  | 9,241,000  |
| Ocean View Elementary SD            | 51,000     |
| Oxnard Elementary SD                | 176,000    |
| Pajaro Valley Unified SD            | 1,280,000  |
| Pasadena City Unified SD            | 3,445,000  |
| Pittsburg Unified SD                | 6,000      |
| Redwood City SD                     | 4,183,000  |

## Appendix 6

### Staff Referral Guide, Education Finance Division

| <i>Section/Subject</i>  | <i>Contact</i>   | <i>Telephone</i><br>Area Code (916) |
|---|------------------|-------------------------------------|
| AB 1571 (School Libraries, Grades 4–6)                            | Ging Tucker      | 324-4536                            |
| AB 1587 (School Libraries, Grades 7–12)                           | Ging Tucker      | 324-4536                            |
| AB 3384 (Charter Schools Start-up Loans)                          | Ging Tucker      | 324-4536                            |
| AB 3482 (Core Reading Instructional Materials Program for K–3)    | Ging Tucker      | 324-4536                            |
| ADA County Office (J-27/28)                                       | Jerald Saladana  | 324-4535                            |
| ADA-District (J-18/19)  | Ron Slayton      | 324-4543                            |
|   | Sue Haseltine    | 324-4551                            |
| Adult Education (Form S)  | Ron Slayton      | 324-4543                            |
| Adults in Correctional Facilities (J-152A)                        | Daphne Kelley    | 324-6178                            |
| Advanced Placement Tests  | Maria Reyes      | 653-4308                            |
| AFDC-Title I (Poverty Indicators)                                 | Judith Bell      | 323-5833                            |
| After-School Learning and Safe Neighborhoods Partnerships Program | Bill White       | 657-3558                            |
| Apprenticeship Programs (Form K–12)                               | Ron Slayton      | 324-4543                            |
| Attendance Accounting   | Kim Clement      | 327-0857                            |
| Base Revenue Limit (Form K–12)                                    | Ron Slayton      | 324-4543                            |
|   | Sue Haseltine    | 324-4551                            |
| Basic Aid   | Ron Slayton      | 324-4543                            |
| Before- and After-School Grants                                   | Cindy Robinson   | 324-4531                            |
| Book Allowance  | Ging Tucker      | 324-4536                            |
| Cal Learn   | Deborah Lindley  | 324-6611                            |
| Charter Schools   |                  |                                     |
| Fiscal  | Sue Haseltine    | 324-4551                            |
| Program   | David Patterson  | 657-5142                            |
| Charter Schools Start-up Loans (AB 3384)                          | Ging Tucker      | 324-4536                            |
| Child and Adult Care Food Program                                 | Rochelle Magness | 322-8304                            |
| Child Care and Development (CalWORKs)                             | Jim Stefani      | 324-4552                            |

|   |                   |          |
|---|-------------------|----------|
| Child Care and Development Fund                             | Jim Stefani       | 324-4552 |
| Child Care and Development State Preschool                  | Kathie Almassy    | 323-5843 |
| Child Development Apportionments                            | Kathie Almassy    | 323-5843 |
| Child Development Maintenance of Effort                     | Kathi Beach       | 322-5140 |
| Child Development Regional Market Survey                    | Kathie Almassy    | 323-5843 |
| Child Nutrition   | Phyllis Savage    | 322-8326 |
| Class-Size Penalties  | Patty Eid         | 324-4540 |
| Class-Size Penalties Waiver                                 | Leroy Munsch      | 322-1471 |
| Class-Size Reduction  |                   |          |
| Grades K–3 Coordinator                                      | Keric Ashley      | 323-0575 |
| Grades K–3 Operations                                       | Rich Zeiszler     | 324-4533 |
| Grades K–3 Facilities                                       | Katherine Ely     | 323-8593 |
|   | Fred Yeager       | 327-7148 |
| Grade Nine  |                   |          |
| Program   | Neil Yeager       | 657-3474 |
| Fiscal  | Ross Valentine    | 327-4405 |
| Grades 9–12 (Morgan-Hart)                                   | Ross Valentine    | 327-4405 |
| College Admissions Tests                                    | Bill Vasey        | 657-3587 |
| College Preparation Grants                                  | Bill Vasey        | 657-3587 |
| Community-Based English Tutoring Programs                   | Joan Polster      | 322-2175 |
| Community Day Schools                                       |                   |          |
| Program   | Daniel Sackheim   | 445-5595 |
| Fiscal  | Sue Haseltine     | 324-4551 |
| Community Reading Resources Project                         | Sandra Silva      | 327-1824 |
| Concurrently Enrolled Adults (Form S)                       | Ron Slayton       | 324-4543 |
| Conflict Resolution   | Bonnie Williamson | 324-6159 |
| Consolidated Application                                    | Rich Zeiszler     | 324-4533 |
| Continuation Education                                      |                   |          |
| Attendance Accounting                                       | Kim Clement       | 327-0857 |
| Fiscal (Form K–12, Schedule E)                              | Ron Slayton       | 324-4543 |
| Controller's Monthly Payment Schedule                       | Daphne Kelley     | 324-6178 |
| County Offices of Education                                 | Jerald Saladana   | 324-4535 |
| County Office Oversight (AB 1200)                           | Jerald Saladana   | 324-4535 |
| Curriculum and Instruction Steering Committee<br>(Form J-4) | Jerald Saladana   | 324-4535 |

|  |                  |          |
|--|------------------|----------|
| Declining Enrollment                             | Ron Slayton      | 324-4543 |
| Deferred Maintenance                             | Rich Zeiszler    | 324-4533 |
| Demonstration Programs in Reading and Math       | Char Keuscher    | 657-4413 |
| Desegregation                                    | Rich Zeiszler    | 324-4533 |
| Digital High Schools                             | Gaye Smoot       | 323-5216 |
| District Reorganization Loans                    | Ging Tucker      | 324-4536 |
| Driver Training                                  | Leslie McCage    | 324-4537 |
| Dropout Prevention, K-12 (SB 65)                 | Marco Orland     | 323-2212 |
| Dropout Prevention Education Clinics             | Margarita Garcia | 323-5029 |
| Economic Impact Aid (EIA)                        | Ross Valentine   | 327-4405 |
| Education Revenue Augmentation Fund (ERAF)       | Patty Eid        | 324-4540 |
| Educational Technology                           | Larry Huiga      | 327-4629 |
| Emergency Conditions Waiver                      | Kim Clement      | 327-0857 |
| Equalization and Special Disabilities Adjustment | Judy Johnson     | 328-5185 |
| Excused Absences                                 | Kim Clement      | 327-0857 |
| Expenditure Per Pupil                            | Sandra Silva     | 327-1824 |
| Extended School Days                             | Kim Clement      | 327-0857 |
| Faculty Expulsion                                | Legal Office     | 657-2453 |
| 50/50 Deficit Reduction and Equalization         | Ron Slayton      | 324-4543 |
| Foster Youth Services                            | Susan Thompson   | 653-3768 |
| Fiscal   | Rhonda Darling   | 657-4564 |
| Funding Flexibility                              | Rich Zeisler     | 324-4533 |
| Gang Risk Intervention Program (GRIP)            | Chuck Nichols    | 323-1026 |
| Gann Limit Calculations                          | Sandra Silva     | 327-1824 |
| Gifted and Talented Education (GATE)             |                  |          |
| Fiscal   | Daphne Kelley    | 324-6178 |
| Program  | Doug McDougall   | 653-4908 |
|  | Kathy Marshall   | 675-5257 |
| Greater Avenues for Independence                 |                  |          |
| (GAIN) (Form R/Y, Form S)                        | Ron Slayton      | 324-4543 |
| Healthy Start                                    | Bill White       | 657-3558 |
| High-Risk First-Time Offenders                   | Daphne Kelley    | 324-6178 |
| IASA, Title I, (Federal) Helping Disadvantaged   |                  |          |
| Children Meet High Standards                     | Judith Bell      | 323-5833 |
| IASA, Title II, (Federal)                        |                  |          |
| Eisenhower Professional Development              | Ging Tucker      | 324-4536 |



|   |                   |          |
|---|-------------------|----------|
| IASA, Title II, (Federal) Math and Science      |                   |          |
| Teacher Training Grants                         | Ging Tucker       | 324-4536 |
| IASA, Title IV, (Federal) Drug-Free Schools     | Julie Brucklacher | 327-4406 |
|   | Ross Valentine    | 327-4405 |
| IASA, Title VI, (Federal) Innovative Strategies | Julie Brucklacher | 327-4406 |
| Impact Aid (Federal)                            | Teri Chen         | 327-0374 |
| Independent Study                               | Lynn Hartzler     | 323-5034 |
| Indian Education Centers                        | Andy Andreoli     | 657-5450 |
| Instructional Materials, K–8 and 9–12           |                   |          |
| Fiscal  | Ging Tucker       | 324-4536 |
| Program   | Cathy Barkett     | 657-3711 |
| Instructional Materials (Contracts)             | Lori August       | 324-6586 |
| Instructional Materials for Mathematics, K–12   | Bruce Hagen       | 657-2984 |
| Instructional Time                              | Kim Clement       | 327-0857 |
|   | Jenny Singh       | 654-6170 |
| Instructional Time and Staff Development        |                   |          |
| Reform  | Bruce Hagen       | 657-2984 |
| Interdistrict Transfers                         | Kim Clement       | 327-0857 |
| International Baccalaureate Programs            | Maria Reyes       | 653-4308 |
| Intersegmental Programs                         | Dave Jolly        | 327-1821 |
| J Forms   |                   |          |
| J-3 Unemployment Insurance                      | Jerald Saladana   | 324-4535 |
| J-4 County School Service Fund                  | Jerald Saladana   | 324-4535 |
| J-7 Report of Regular Day Classes and           |                   |          |
| Enrollment for K–8                              | Patty Eid         | 324-4540 |
| J-7 CSR Regular Day Classes and Enrollment      |                   |          |
| for Classes K–3 for Class-Size Reduction        | Rich Zeiszler     | 324-4533 |
| J-10-A Certification of Allowance for Special   |                   |          |
| Teachers in Reading (Miller-Unruh)              | Ging Tucker       | 324-4536 |
| J-13 Emergency Attendance                       | Kim Clement       | 327-0857 |
| J-18/19 School District Attendance              | Sue Haseltine     | 324-4551 |
| J-20 Necessary Small Schools                    | Ron Slayton       | 324-4543 |
| J-22 ROC/P Handicapped Attendance               |                   |          |
| Supplement                                      | Debbie Mininfield | 322-3280 |
| J-22 Supplement (GATE)                          | Daphne Kelley     | 324-6178 |

|   |                    |                |
|---|--------------------|----------------|
| J-27/28 County Office Attendance  | Jerald Saladana    | 324-4535       |
| J-29B Tax Rates, K-12   | Patty Eid          | 324-4540       |
| J-29.1 Miscellaneous Funds  | Patty Eid          | 324-4540       |
| J-29C County Taxes  | Jerald Saladana    | 324-4535       |
| J-50 and AB 602 Special Education Prior<br>Year and Infant Entitlement                | Judy Johnson       | 323-5185       |
| Alameda-Kern  | Ophelia De La Paz  | 323-3282       |
| Kings-Merced  | Patrice Roseboom   | 327-2111       |
| Modoc-Riverside   | Debbie Mininfield  | 322-3280       |
| Sacramento-San Mateo  | Deborah Freitag    | 324-4555       |
| Santa Barbara-Yuba  | Karen Allen-Hudson | 324-4557       |
| J-141 Transportation (including W\CW-1, CW-2,<br>CW-2 Upload, Days, JPA, ROC/P, S, T) | Leslie McCage      | 324-4537       |
| J-143 Report of School Buses  | Leslie McCage      | 324-4537       |
| J-152 Adults/Correctional Facilities  | Daphne Kelley      | 324-6178       |
| Kindergarten Retention Form   | Kim Clement        | 327-0857       |
| Lottery ADA   | Ron Slayton        | 324-4543       |
| Lottery Funds   | Kathy Mathews      | 322-1647       |
| Low-Incidence Funding   | Judy Johnson       | 323-5185       |
| Low-Income Students   | Judith Bell        | 323-5833       |
| Low-Wealth District   | Ron Slayton        | 324-4543       |
| Maintenance of Effort (Title 9)   | Judith Bell        | 323-5833-      |
| Mega-Item Programs  | Rich Zeiszler      | 324-4533       |
| Mentor Teacher Program  | Julie Brucklacher  | 327-4406       |
| Miller-Unruh Basic Reading Program  | Ging Tucker        | 324-4536       |
| Minimum Age to End School   | Kim Clement        | 327-0857       |
| Miscellaneous Funds (J-29.1)  | Patty Eid          | 324-4540       |
| Misuse of Funds   | Jan Sterling       | 322-3024       |
| National School Lunch Program   | Nora Trujillo      | 322-8330       |
| Native American Indian Education  | Andy Andreoli      | 657-5450       |
| Necessary Small Schools   | Ron Slayton        | 324-4543       |
| (Form K-12, Schedule F)   | Sue Haseltine      | 324-4551       |
| Neglected and Delinquent  | Judith Bell        | 323-5833       |
| Partnership Academies   | Susan Tidyman      | (510) 942-3413 |
| Preschool Career Incentive Grant  | Joan Humphrey      | 323-6196       |

|  |                   |          |
|--|-------------------|----------|
| Property Tax Penalties and Interest                  | Patty Eid         | 324-4540 |
| Proposition 98                                       | Sandra Silva      | 322-1645 |
| Pupil Testing Program                                | Gwen Stephens     | 657-3011 |
| Pupil Textbooks and Instructional Materials          | Ging Tucker       | 324-4536 |
| Pupil Transportation Program                         | Leslie McCage     | 324-4537 |
| Reading Instruction                                  | Terry Emmett      | 657-5140 |
| Recertification of Principal Apportionment           | Sue Haseltine     | 323-4551 |
|  | Ron Slayton       | 324-4543 |
| Regional Occupational Centers/Programs<br>(Form R/Y) | Ron Slayton       | 324-4543 |
| Revenue Limits                                       |                   |          |
| County Office (Form O)                               | Jerald Saladana   | 324-4535 |
| Districts (Form K-12)                                | Ron Slayton       | 324-4543 |
|  | Sue Haseltine     | 323-4551 |
| Saturday Classes                                     | Kim Clement       | 327-0857 |
| School Attendance Registers                          | Kim Clement       | 327-0857 |
| School-Based Mathematics Development<br>Programs     | Terry Emmett      | 657-5140 |
| School Bus Replacement                               | Leslie McCage     | 324-4537 |
| School Community Violence Prevention<br>Program      | Bonnie Williamson | 324-6159 |
| School Development Plans (SB 1882)                   | Ross Valentine    | 327-4405 |
| School District Budget                               | Bill Fong         | 327-5289 |
| School District Revenue Limits                       | Marcia Davey      | 445-4766 |
| School Holiday Waiver                                | Kim Clement       | 327-0857 |
| School Improvement Program (SIP)                     | Julie Brucklacher | 327-4406 |
| School/Law Enforcement Partnership Programs          | Stan Harkness     | 324-6165 |
| School Level ADA-SIP Survey                          | Julie Brucklacher | 327-4406 |
| School Library Materials, K-12                       | Barbara Jeffus    | 654-6161 |
|  | Ging Tucker       | 324-4536 |
| School-Site Block Grant                              | Patty Eid         | 324-4540 |
| Small School District Bus Replacement Program        | Leslie McCage     | 324-4537 |
| Small School District Fund                           | Ron Slayton       | 324-4543 |
| (Form K-12, Schedule F)                              | Sue Haseltine     | 324-4551 |

|   |                 |          |
|---|-----------------|----------|
| Special Education   |                 |          |
| Ages 3–21 Funding   | Judy Johnson    | 323-5185 |
| State J-50 Infant Funding   | Judy Johnson    | 323-5185 |
| Federal Preschool and Infant Program  | Chris Drovin    | 327-3698 |
| Other Federal Programs  | Kathy Moroney   | 327-3507 |
| Special Education Local Plan Areas  | Judy Johnson    | 323-5185 |
| Special Purpose Apportionment   | Ross Valentine  | 327-4405 |
| Specialized Secondary Programs  | Ron Temple      | 657-5124 |
|   | Machelle Benbow | 657-3490 |
|   | Bernie Norton   | 657-3470 |
| Staff Development Buy-Out Program   |                 |          |
| (Longer School Year)  | Bruce Hagen     | 657-2984 |
| Standardized Testing and Reporting (STAR)   | Gwen Stephens   | 657-3011 |
| Statutory Derivation  | Daphne Kelley   | 324-6178 |
| Student Transfers   | Kim Clement     | 327-0857 |
| Summer Food Service Program   | Shawneen Devine | 327-4997 |
| Summer School   | Sue Haseltine   | 324-4551 |
| Supplemental Grants   | Patty Eid       | 324-4540 |
| Taxes-County (J-29C)  | Jerald Saladana | 324-4535 |
| Taxes-District (J-29B)  | Patty Eid       | 324-4540 |
| Teacher-to-Administrator Ratio  | Rich Zeiszler   | 324-4533 |
| Teacher Salaries  | Leroy Munsch    | 322-1471 |
| Tenth-Grade Counseling Program  | Ging Tucker     | 324-4536 |
| Title I, IASA, (Federal)  | Judith Bell     | 323-5833 |
| Tobacco-Use Prevention Education  | Leticia Cortez  | 657-2810 |
| Transitioning High-Risk Youth   | Daphne Kelley   | 324-6178 |
| Transportation (Home-to-School and Special Education)                                     | Leslie McCage   | 324-4537 |
| Truancy   | Karen Lowrey    | 323-1027 |
| Unemployment Insurance (J-3)  | Jerald Saladana | 324-4535 |
| Vocational Training and Job Placement   | Robert Snowden  | 327-4221 |
| Year-Round Education/ Alternatives to School Construction Incentive Grants and Operations | Carol Kittredge | 323-3923 |

| District Name                           | Amount               |
|---|----------------------|
| Riverside Unified SD                    | 294,000              |
| Sacramento City Unified SD              | 2,222,000            |
| San Bernardino City Unified SD          | 2,061,000            |
| San Diego City Unified SD               | 7,389,000            |
| San Dieguito Unified SD                 | 546,000              |
| San Francisco Unified SD                | 3,511,000            |
| San Jose City Unified SD                | 1,341,000            |
| San Jose Collaboration                  | 13,852,000           |
| San Mateo City Elementary SD            | 205,000              |
| San Mateo Union High SD                 | 81,000               |
| Santa Barbara City Elementary SD        | 34,000               |
| Santa Monica-Malibu SD                  | 372,000              |
| Santa Paula Elementary SD               | 823,000              |
| Sausalito Elementary SD                 | 789,000              |
| Sequoia Union High SD                   | 54,000               |
| Solano Beach Elementary SD              | 555,000              |
| Sunnyvale Elementary SD                 | 838,000              |
| Sweetwater Union High SD                | 388,000              |
| Ventura Unified SD                      | 45,000               |
| Vista Unified SD                        | 1,380,000            |
| West Contra Costa (Richmond) Unified SD | 2,763,000            |
| Whittier Union High SD                  | 598,000              |
| Payment for Audit Cost Claims           | 99,000               |
| <b>TOTAL</b>                            | <b>\$142,011,000</b> |